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Daily Report
Central Eurasia

FBIS-SOV-96-107 *3 June 1996*

CONTENTS

NOTICE: An • indicates material not previously disseminated in electronic form.

PRESIDENTIAL ELECTION ISSUES

Russia: Yeltsin Comments on Regional Issues, Economic Growth *[Moscow ORT]* 1
Russia: Yeltsin Remarks on Election Program During Perm Visit Featured *[Moscow ORT]* 1
Russia: Yeltsin Addresses Vorkuta Miners 25 May *[ROSSIYSKIYE VESTI 31 May]* 2
Russia: Yeltsin Better Equipped To Win Military Vote Than Zyuganov *[NEZAVISIMAYA GAZETA 30 May]* 3
Russia: Duma Speaker Says Yeltsin's Campaign Exceeds Spending Limits *[INTERFAX]* 5
Russia: Press Publicity Material for Yeltsin Described *[FBIS Report]* 5
Russia: Yeltsin 11 Points Ahead of Zyuganov in Poll *[Moscow NTV]* 6
Russia: Yeltsin's Election Program Reviewed *[SEGODNYA 31 May]* 6
Russia: Zyuganov Meets Agricultural Workers, Reproaches Yeltsin *[INTERFAX]* 7
Russia: Zyuganov Views Winning Over Half Election Votes in Coalition *[Moscow NTV]* 7
Russia: Zyuganov Interviewed on Election Campaign *[PRAVDA-5 31 May-7 Jun]* 8
Russia: Zyuganov Discusses Elections, Answers Callers' Questions *[Moscow Radio]* 11
Russia: Zyuganov Says Yeltsin Election Program Two Months Late *[INTERFAX]* 19
Russia: 'Red Belt' Rural Areas Favor Zyuganov Over Yeltsin *[MOSKOVSKIY KOMSOMOLETS 31 May]* 20
Russia: Zyuganov: Communists Continuing Talks With 'Third Force' *[INFORMATSIONNOYE AGENTSTVO EKHO MOSKVY]* 20
Russia: Zyuganov Ignores Satarov's Communist Party Plot Allegations *[Moscow NTV]* 20
Russia: Liberal Economist Criticizes Zyuganov's Election Program *[KOMMERSANT-DAILY 31 May]* 20

INTERREGIONAL AFFAIRS

CIS: Yeltsin Describes Integration as Path to Economic Well-Being *[INTERFAX]* 22
CIS: Foreign Relations Chiefs of CIS Defense Ministries Confer *[NEZAVISIMAYA GAZETA 1 Jun]* 22

RUSSIA INTERNATIONAL AFFAIRS

Russia: Yeltsin Arrives for Big Caucasus Meeting *[INTERFAX]* 23
Russia: Yeltsin Explains 5 Principles of Russia's Caucasus Policy *[INTERFAX]* 23
Russia: Yeltsin Urges Joint Solution to Caucasus Refugee Problems *[INTERFAX]* 23
Russia: Yeltsin: All Caucasus Will Benefit From Chechen Cease-Fire *[INTERFAX]* 24
Russia: Presidents Sign Caucasus Peace Declaration in Kislovodsk *[INTERFAX]* 24
Russia: Yeltsin Congratulates New Israeli Premier *[INTERFAX]* 24
Russia: Moscow Hopes Netanyahu Will Continue Peace Process *[INTERFAX]* 25
Russia: Yeltsin Statement on Removal of Nuclear Arms From Ukraine *[ITAR-TASS]* 25
Russia: Yeltsin Aide: Moscow Insists on Basing Fleet in Sevastopol *[INTERFAX]* 25
Russia: Primakov Discusses NATO Expansion *[Moscow RTV]* 26
Russia: Report Sums Up Primakov's Visit to Belgrade *[KOMMERSANT-DAILY 1 Jun]* 26
Russia: Russia Abstained During Vote on UN Mandate in FYROM *[ITAR-TASS]* 27
Russia: Spokesman: Moscow Content With Results of CFE Conference *[ITAR-TASS]* 27
Russia: Defense Minister Flies to Lvov for PFP Exercises *[ITAR-TASS]* 28
Russia: Yeltsin, Clinton Honor Campaign Pact *[SEGODNYA 31 May]* 28

RUSSIA NATIONAL AFFAIRS

Political Issues

Russia: Yeltsin Urges Social Democrats To Resist Revengeful Forces *[ITAR-TASS]* 30

Russia: Chernomyrdin Praises Gazprom in Address to Shareholders *[ITAR-TASS]* 30
Russia: Korzhakov Said To Have 'Practically Unlimited' Power *[KOMSOMOLSKAYA PRAVDA 31 May-7 Jun]* 30

Military Issues

Russia: Yeltsin Endorses Defense Law Passed by Parliament *[INTERFAX]* 31
Russia: Grachev Reports on Armed Forces Reforms *[KRASNAYA ZVEZDA 31 May]* 31
Russia: Gromov Cited on Army Reform, Grachev, Election *[ROSSIYSKAYA GAZETA 1-7 Jun]* 34
Russia: Gromov Arrives in Vladivostok Ahead of Russian-U.S. Exercises *[ITAR-TASS]* 36
Russia: Yeltsin Aide Exposes Embezzlement Within Army *[Radio Rossii]* 36
Russia: Moscow Military District Said Frequented by Army Officials *[NEZAVISIMAYA GAZETA 31 May]* 36

Regional Affairs

Russia: Yeltsin, Yandarbiyev Shown Arguing During Kremlin Meeting *[Moscow RTV]* 36
Russia: Yeltsin Doubts Separatist Leaders Can Control Rebels *[INTERFAX]* 38
Russia: Federal Chief Says Yandarbiyev Unable To Control Fighters *[INTERFAX]* 38
Russia: Chernomyrdin Calls Chechnya 'Test to New Russian Statehood' *[ITAR-TASS]* 38
Russia: Presidential Staff Hosts News Conference on Chechnya *[ROSSIYSKIYE VESTI 31 May]* 39
Russia: Chechen Field Commander Reportedly Killed by Own Bodyguards *[ITAR-TASS]* 39
Russia: Basayev Rebels Implicated in Death of Chechen Field Commander *[ITAR-TASS]* 39
Russia: Rebels' 'Excessive Demands' Reason for Talks Postponement *[ITAR-TASS]* 40
Russia: OSCE Mediator Says Chechen Leadership Not Split Over Talks *[INTERFAX]* 40
Russia: Ingush President, Chechen Commander View Cease-Fire, Talks *[ITAR-TASS]* 40
Russia: Chechen Opposition Sets Deadline for Decision on Troops *[INTERFAX]* 41
Russia: Interior Minister: Chechen Withdrawal To Proceed in Stages *[INTERFAX]* 41
Russia: OSCE Mission Head Due To Meet Chechen Leader Maskhadov *[ITAR-TASS]* 42
Russia: Chechen Rebel Commander Maskhadov Said Blockaded in Shali *[INTERFAX]* 42
Russia: Chechen Separatists Opposed to Holding Any Elections *[ITAR-TASS]* 42
Russia: Opposition Warns Against Holding Elections in Chechnya *[INTERFAX]* 43
Russia: Candidates Sobchak, Yakovlev Hold Debate in St. Petersburg *[St. Petersburg TV]* 43
Russia: Yakovlev Leads in St. Petersburg Election *[ITAR-TASS]* 43

Economic Issues

Russia: Minister Yasin Assesses Yeltsin's Economic Reforms *[Paris LE MONDE 31 May]* ... 44
Russia: Economy Minister Urges Investment in Production Programs *[RABOCHAYA TRIBUNA 31 May]* 45
Russia: German, Russian Experts Visit Southern Nuclear Station *[UKRINFORM 31 May]* 45
Russia: Aeroflot, Transaero Announce Plans for 'Cooperation' *[KOMMERSANT-DAILY 1 Jun]* 45

UKRAINE

International Affairs

Ukraine: Kuchma Issues Statement on Removal of Nuclear Weapons *[Kiev TV]* 47
Ukraine: Ukraine Admitted as Member of Central European Initiative *[UNIAN]* 47
Ukraine: Kuchma Wants CEI States To Be Free From Nuclear Weapons *[INTERFAX]* 47
Ukraine: Officials Dismiss Moroz's NATO Statements *[INTERFAX]* 48
Ukraine: Kiev, Washington Agree To Set Up Joint Commission *[INTERFAX]* 48
Ukraine: Naval Chief Against Ukrainian Navy Presence in Sevastopol *[UNIAN]* 48
Ukraine: Official Visit to Germany Deemed 'New Stage' in Relations *[UKRINFORM]* 48
Ukraine: Crimea Signs Agreement With Russia's Belgorod Region *[UNIAR]* 49

National Affairs

Ukraine: Ex-Premier Calls On Government To 'Consolidate' *[URYADOVYY KURYER 30 May]* 49

Ukraine: Lawmakers, Party Leaders Comment on Marchuk Dismissal *[VSEUKRAINSKIYE VEDOMOSTI 29 May]* 50
Ukraine: Papers Ponder Reasons for Marchuk's Ouster *[FBIS Report]* 51
Ukraine: Kuchma Supports Council's Move To Stabilize Economy *[UNIAN]* 53
Ukraine: Horbulin on Issues of NATO, Constitution, Government *[UKYADOVYY KURYER 30 May]* 53

WESTERN REGION

Belarus

Belarus: Syanko: Russia, Belarus Have No Plans for Military Alliance *[INTERFAX]* 55
Belarus: CFE Tank Destruction Continues; NATO Expansion Opposed *[Moscow ORT]* 55
Belarus: Belarus Admitted Into Central European Initiative *[Minsk Radio]* 55
Belarus: Sharetski Comments on U.S. Trip, CIS Assembly Meeting *[BELAPAN]* 56
Belarus: Opposition's March, Clashes Called 'Provocation' *[INTERFAX]* 56
Belarus: Reasons for Recent KGB-MVD Standoff Viewed *[SEGODNYA 31 May]* 57

CENTRAL ASIA

Kazakhstan

Kazakhstan: President, Germany's Kinkel Discuss Relations *[INTERFAX]* 58
Kazakhstan: Agreement Signed With Kinkel on Support for Ethnic Germans *[Almaty TV]* 58
Kazakhstan: Almaty To Be More Active in Asia-Pacific Region *[INTERFAX]* 59

Tajikistan

Tajikistan: World Bank Issues Position on Tajik Reform *[KHOVAR]* 59
Tajikistan: Dushanbe Hopes for Close Contacts With U.S. Business *[INTERFAX]* 60
Tajikistan: Prime Minister, Russia's Bolshakov Sign Protocol *[Dushanbe Radio]* 60
Tajikistan: Russian Economic Delegation Ends Visit *[INTERFAX]* 61
Tajikistan: Opposition Seeks 'Peaceful Coexistence' With Russia *[Tehran IRNA]* 61

CAUCASUS

Armenia

Armenia: France To Support Armenia's Admission to Council of Europe *[INTERFAX]* 62
Armenia: Border Trade, Oil Issues Discussed With Iranian Ambassador *[ARAGIL ELECTRONIC NEWS BULLETIN]* 62
Armenia: Communist Party Leader Rebuts Hayrikyan's Statement *[Yerevan Radio]* 62

Azerbaijan

Azerbaijan: Parliament Ratifies Agreements With Russia, Romania *[TURAN]* 62
Azerbaijan: Head of Islamic Party Arrested, Links to Iran Alleged *[TURAN]* 62
Azerbaijan: Islamic Party Allegedly Harbored 'Foreign Secret Services' *[TURAN]* 63

Georgia

Georgia: Shevardnadze Leaves for Caucasus Summit in Kislovodsk *[Tbilisi Radio]* 63
Georgia: Shevardnadze Says Georgia on Way to European Integration *[ITAR-TASS]* 64
Georgia: Ministry Agrees To Give Russia Part of Georgia's CFE Quota *[IPRINDA]* 64
Georgia: Shevardnadze Issues Edict on Azeri Oil Freight *[SAKHALKHO GAZETI 23 May]* ... 64
Georgia: AIOC To Build Caspian-Mediterranean Pipeline *[INTERFAX]* 65
Georgia: Most Russian Peacekeepers 'Unexpectedly' Leave S. Ossetia *[IBERIA]* 65

BALTIC STATES

Estonia

Estonia: Russia Views Kallas Report as 'Constructive', 'Pragmatic' *[ETA]* 66

Estonia: Foreign Minister Reviews Policy *[Ministry of Foreign Affairs Press Release]* 66
Estonia: Meri Calls For Closer Baltic Security Cooperation *[BNS]* 69

Lithuania

Lithuania: Gylys Warns Against Isolating Russia While Pursuing NATO *[ITAR-TASS]* 70
Lithuania: Brazauskas Rejects Demand To Dismiss Defense Minister *[Vilnius Radio]* 70
Lithuania: Vilnius Attacks Estonia for Divulging Secret Letter to U.S. *[ITAR-TASS]* 70

Russia: Yeltsin Comments on Regional Issues, Economic Growth

LD3105200596 Moscow Russian Public Television First Channel Network in Russian 1100 GMT 31 May 96

[Video report by Mikhail Aleksandridi; from the "Novosti" newscast]

[FBIS Translated Text] President Boris Yeltsin started the second day of his visit to Perm by laying flowers at the memorial to the heroes of the front line and the home front, and by talking with the public in the town.

[Begin recording] [Unidentified woman] We would like to wish you love, I mean we all love you, and we wish you victory in the election without fail. We shall all vote for you.

[Yeltsin] Thank you. Look, what a kind heart!

[Woman] Most of all, we wish you good luck. [end recording]

The president was also in high spirits in the hall where a trilateral agreement was signed on delimitation of powers between the federal center, Perm Region, and the Komi-Permyak Autonomous Area — the document, which, according to Yeltsin, not everyone likes.

[Begin Yeltsin recording] I will tell you straight: Most objections were raised by those officials in the capital who have been running the regions' economy, social sphere, and culture for decades from their offices, as if with reins, never giving them a moment's rest. Five years ago, at the time when the first election was held, the Russian president promised that this bad practice would end — rather than commanding, ordering, and stifling local initiative, give the regions the sort of independence they can manage. Give a free rein to their creative effort for the good of those living in the regions, for the good of Russia as a whole. I kept my promise. [end recording]

The president said the treaty gives the regions independence combined with the best possible balance between the interests of the regions and the federal center. Yeltsin also repeated several times that the document strengthened Russia's statehood.

Half an hour later, when the presidential convoy drove to the business center building past small groups of Communist activists, Yeltsin told the public that any abrupt change of course would be perilous for the nascent Russian statehood, and the Russians had not only avoided a socioeconomic catastrophe but had also laid a solid foundation for a rapid economic upturn.

[Begin Yeltsin recording] Over the past five years, despite certain pressure from some sides, we have not issued a single empty wooden ruble [derevyannyy]. We have not printed a single ruble, no matter how tough the going. You know about wages, pensions, and so on — and yet we withstood it all. That is why the rate of inflation is now down to 2-3 percent, whereas when we started the reforms it stood at 1,200 percent. The ruble will become a hard currency. A decision on the convertibility of the ruble has already been signed. The annual growth rate in the economy will be consistently in excess of 4 percent year after year. [end recording] [video shows Yeltsin laying wreath, surrounded by people in a square, at signing ceremony, and at news conference]

Russia: Yeltsin Remarks on Election Program During Perm Visit Featured

LD3105142496 Moscow Russian Public Television First Channel Network in Russian 0800 GMT 31 May 96

[From the "Novosti" newscast]

[FBIS Translated Text] On Monday, Boris Yeltsin completed work on his electoral program and signed it. Today the program has been printed. At a meeting with the public in Perm, the president presented its main features. The head of state's program was, at one and the same time, both a report on the past five years of work and the plan for the next four years. Its main thesis was the continuation of the policy of transformation in Russia and the organization of a successful lifestyle for all citizens. [video shows Yeltsin addressing a meeting; a placard above him says "B.N. Yeltsin — President of Russia"]

[Begin recording] [Correspondent Dmitriy Kochetkov] The president's program is a document that is already being given real effect.

[Yeltsin] In my program, you will not find empty promises of a bright future or fine slogans.

[Kochetkov] Boris Yeltsin travels around the country a great deal and receives a vast amount of letters. According to him, the green shoots of a normal life are already appearing within the country.

[Yeltsin] I have to travel round the country a very great deal, to meet people, to make speeches, to argue until I am hoarse and defend my view. I admit that my voice lets me down sometimes, my vocal chords cannot withstand the abundance of words. But now my voice is not as important as your voices [a pun on the word "golos", which means both "voice" and "vote" in Russian], particularly on 16 June.

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[Kochetkov] The head of state regards the fact that no economic or social disaster has occurred in Russia during the past five years as being the main result of his work. The slump in production is coming to an end, and growth is beginning. Over the past four months, it has amounted to three per cent. By the year 2000, Boris Yeltsin is going to reduce inflation to 2-3 percent a year. This will rein in prices and ensure an upswing in the economy. The head of state promises a swing in industry toward high technology, and the protection of the Russian market against imports of poor-quality goods. Boris Yeltsin intends to complete the agrarian reform.

[Yeltsin] Over the past few years, we have been able to fill shop counters and the consumer market is loaded up completely. It is now purses that have to be filled, and that is not an easy task.

[Kochetkov] Pensions are to be indexed, and the government is instructed to raise the minimum wage. Grants and child benefits will be increased. Boris Yeltsin announced that a switch to an hourly minimum wage is being planned. The head of state sees restraining crime and corruption as his key task.

[Yeltsin] It has to be tackled by the whole world. I have decided that I shall make full use of ideas and proposals from other presidential candidates so as to bring about a breakthrough in resolving this problem.

[Kochetkov] Boris Yeltsin considers that the first important steps in resolving the crisis in Chechnya have already been taken, and Chechnya will become a peaceful territory within Russia by the end of this year. There will be no internecine ethnic strife within the country, the president declares in his program.

So far, Boris Yeltsin's program is the most detailed of the electoral documents already published. It is 120 pages long, and each tenet is backed up by concrete proposals and laws. The program is intended for professionals. Incidentally, its official title is "Electoral program", but "Action program for the Next 14 Years" [as heard; other reports give "four years"]. [end recording]

Russia: Yeltsin Addresses Vorkuta Miners 25 May

MM3105130896 Moscow ROSSIYSKIYE VESTI ("Industrial Gazette" section) in Russian 31 May 96 p 1

[Report by Tatyana Borisevich: "Direct Dialogue With People Is Hard But Essential. President Yeltsin Saw That for Himself During His Visit to Vorkuta"]

[FBIS Translated Text] Vorkuta — It was not the presidential candidate but the president that Arctic Vorkuta was waiting for and greeted last Saturday [25 May]. Neither the weather forecasts nor the miners promised a warm reception. There are still snow and snow drifts the city. And a chilly reception awaits him the among mining collectives: The Communists won the December Duma elections here. That was because miners consider themselves duped. Reforms have robbed them of their savings and called into question the very existence of the Arctic mines. Yet Vorkuta produces 8 percent of all the coal extracted in Russia and 22 percent of the coking coal. But railroad tariffs have made this coal like gold dust. And the need to include "northern surcharges" in the prime cost has made it uncompetitive in terms of price.

The miners have raised these issues at all levels. But the government has only seen their demands as unfounded greed. And the strikes were seen as a demonstration of the mine leaders' ambitions. Thus the baby was thrown out with the bath water. And the miners were spurred on to make political instead of economic demands.

The president's decision in this situation to come to Vorkuta is a costly one. It is far harder to melt the ice between him and the miners than it was to do so on the Vorkuta streets. Before Boris Yeltsin's arrival they were washed down with hot water. Incidentally, none of the Vorkuta people saw this as window-dressing. To understand why you only have to visit this city once in your life. And see snow drifts the height of two-story buildings, on which heavy black coal dust settles throughout the winter. By spring the snow drifts subside and run off in rivulets. Leaving behind the coal sludge. Add to that the cracked, dilapidated facades of the apartment blocks, which, no matter how many times you repair them, look dreadful because there is no construction material here capable of withstanding the frosts.

Boris Yeltsin found words to move them. He said:

"The miners of Vorkuta and Inta gave me more support than anyone else at a difficult time in the early nineties. They did more than anyone else to ensure that Russia took the path of democracy, the path of reform. But the miners have also paid the highest price for the reforms...."

The president went on to say that the miners' problems must not be resolved in a superficial manner and not on the surface. So he went down into the Vorkutinskaya Mine. The descent had been prepared in advance but until the last minute people did not believe that it would take place. They tried to talk the president out of going down, citing problems with gas, the danger, and other technical difficulties. They even put forward the following argument: What head of state can be imagined going down a mine? But Yeltsin was adamant.

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"The most sincere, honest, and in-depth discussion can only take place down the mine," the president decided.

And that was what happened. The miners and the president were face to face. They did without compliments. They began to discuss the main issue straightaway, abruptly, interrupting one another — namely, the situation in the Pechora coal field. The president was told not just about wages, which have not been paid since February, and prohibitive railroad tariffs but was also informed of their desire for him to act tougher. Once he reached the surface Boris Yeltsin demonstrated how he had understood and remembered the miners' request.

First, right there at the mine he signed a ruling establishing special railroad tariffs for the shipment of the Pechora field's coal, reducing them by 40-60 percent. This restores the Arctic miners' former markets, cuts their losses, and enables them to step up levels of extraction.

Second, the president signed an edict "On Priority Measures To Ease Social Tension in the Pechora Coal Field." This makes provision for the allocation of a separate block of funds to reimburse Komi Republic mining enterprises for their expenditure on the payment of zoned coefficients and wage supplements for work in the Far North. This means that these figures, which add to the price of each tonne of coal, will now be factored out of the price of coal.

Third, the president said:

"Regrettably, the government has been unable to cope with two problems. Wages and northern deliveries. The president is faced with a major task: Should he dismiss this government or not? Because this government has failed to cope with tasks that concern tens of millions of people. Any halfway competent economist, specialist, and organizer realizes that these matters could have been resolved."

Northerners have their own bones to pick with the president. For instance, they asked the president to set up another ministry. Or, to be more precise, to turn the State Committee for the Development of the North into a ministry. This request was made at the Congress of the Union of Cities of the Arctic and Far North held in Vorkuta at the same time as Boris Nikolayevich's visit. Over 40 cities from Murmansk to Sakhalin sent representatives to the congress. Yeltsin met with them and heard them out. Noyabrsk, Dudinka, Novyy Urengoy, Naryan-Mar — I cannot list them all. Suffice it to say that over 30 million Russians live in the cities of the Arctic and the Far North. All aspects of their lives in these latitudes — from health, housing, work, leisure, and pensions — involve overcoming problems great and small. At the same time the North means diamonds, gold, platinum, furs, fish, oil, gas, timber, nonferrous metals, coal, and apatites. That is, Russia's wealth. But the center's approach to the use of this wealth clearly does not take account of specific Northern conditions.

The path that congress participants suggested to the president may be somewhat naive. But he promised them: "If you believe that this bureaucratic decision will help, I will ultimately take it. Believe you me that I will resolve this matter, I will sign an edict turning the committee into a ministry."

But the main result of the president's dealings with the miners of the Arctic could be seen on people's faces. They really shone. The president gave them faith. He said: "We have had enough of saying that the Far North has poor prospects and that cities in the Arctic Circle do not have a future. The North is half of Russia's territory. And if the North does not have a future, neither does Russia."

Russia: Yeltsin Better Equipped To Win Military Vote Than Zyuganov

MK3105122096 Moscow NEZAVISIMAYA GAZETA (NEZAVISIMOYE VOYENNOYE OBOZRENIYE Supplement No. 10/14) in Russian 30 May 96 pp 1, 3

[Report by Igor Korotchenko: "Boris Yeltsin's Military Card. The Incumbent Head of State Has Every Chance of Playing It With the Utmost Benefit for Himself"]

[FBIS Translated Text] In their election campaign speeches, virtually all the presidential candidates registered by the Central Electoral Commission in some form or other touch on problems related to the military. This is hardly surprising: The so-called military component of the electorate (military servicemen and their families, veterans of the armed forces, and workers at the military-industrial complex's enterprises) constitutes 6-8 million people, who feature high political activism and will in their majority go to the polls on 16 June 1996. On the other hand, those presidential candidates whose chances for election are seen as superior — Boris Yeltsin and Gennadiy Zyuganov — are clearly aware that should — God forbid — a dyarchy situation occur, its outcome will ultimately be defined by the position of the military establishment.

This awareness compels both the incumbent president and his main rival from the CPRF [Communist Party of the Russian Federation] to pay close attention to military problems and to search for ways to influence not only the mood of the top brass but also the officer corps as a whole. A revealing example is a recent

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appeal by the CPRF Duma faction to "generals and officers, to military servicemen in all branches and special units," when, after the denunciation of the Belovezhskaya Agreements, frightened by the prospect of the dissolution of the State Duma, opposition leaders called on representatives of the power structures "to stay within the law."

Gennadiy Zyuganov's contacts with ranking representatives of the Russian Federation Defense Ministry are also designed to ensure the generals' loyalty to the CPRF leader in a critical situation. NEZAVISIMAYA GAZETA has reported that Zyuganov has held closed consultations at one military academy base with a number of military leaders, sanctioned at the level of armed service commander. Even so, the number of the CPRF's obvious supporters in the military establishment, including in the top command echelons, is not very large, because during his four years at the helm of the Russian military department Pavel Grachev has managed to place his people in key positions at the central apparat and in the troops. They understand that their personal well-being entirely depends on who will become master of the Kremlin because a change of the president will mean an automatic change of the defense minister with the ensuing personnel changes in the army. Neither should it be forgotten that Gennadiy Zyuganov has in effect no way of penetrating the fence around military units. Therefore it is apparently not accidental that one representative of the Communist Party election office noted in a commentary to NEZAVISIMOYE VOYENNOYE OBOZRENIYE that open confrontation with Yeltsin, involving the use of force, is in principle unacceptable to Zyuganov because in that event the chances of reversing the situation in favor of the CPRF candidate are practically nil. Apart from agitation materials with calls on officers and conscripts to vote for the Communist Party leader, regularly published in SOVETSKAYA ROSSIYA, Gennadiy Zyuganov's election headquarters is thus far in no position to offer anything else capable of galvanizing the electorate and steering it to vote appropriately.

As concerns Boris Yeltsin, signs are that he has not yet exhausted the gamut of possible measures to consolidate his authority in the Armed Forces. What should Yeltsin do to play the military card with the utmost benefit for himself? Clearly, bare populism will not be helpful here.

Leaving the question of replacing the defense minister outside the scope of this article, it is essential to single out the following lines of action that Yeltsin can use to win the military electorate over to his side.

First. Conferment ahead of time, under a special presidential edict, of military ranks to the most authoritative and respected officers, generals, and military leaders complete with the ceremonial presentation by Yeltsin in person of the new shoulder boards and corresponding insignia of grade in the Kremlin. There are at least two worthy candidacies among the top command personnel: Col. Gen. Fedor Ladygin, chief of the GRU [Main Intelligence Directorate], and Col. Gen. Igor Sergeyev, commander of the RVSN [Strategic Missile Forces]. Awarding them the rank of "army general" will evoke a corresponding response because the GRU and the RVSN are the only structures in the Defense Ministry system that are addressing their missions in full.

Second. On Russia's Independence Day, it would be quite logical for the president to push the launch button for a training intercontinental ballistic missile from the General Staff Central Command Post, which would associate his name with concern about the maintenance of the national nuclear missile shield at a due level.

Third. The formal presentation in the Kremlin of presidential decorations to commanders of strategic missile-carrying submarines and RVSN divisions, that is, to those who hold in their hands the threads of direct command and control of strategic nuclear forces. The military has a traditional weakness for such things.

Fourth. The establishment of presidential scholarships at all military training institutions and military academies. A statute on such scholarships should stipulate that presidential scholarship holders who are in their final year of tuition shall graduate one military rank higher than what they would otherwise be.

Fifth. Holding in Moscow an all-arms conference of the Russian Federation Defense Ministry senior command personnel, where Yeltsin would directly present his military policy priorities. It would also be a good idea to introduce special extra payments to servicemen.

Sixth. Random visits by the president to army and navy units — on no account "court" divisions but, for instance, a nuclear submarine in the North Fleet, a remote Ground Force unit, or a military academy (preferably M.V. Frunze Academy).

Seventh. Reception at the Kremlin of a delegation of servicemen's wives. The president should reassure the women and state that the building of modern housing and social infrastructure is his major priority. At the same time Yeltsin can announce the criminal prosecution of some of the most unpopular and corrupt generals. The cases of former Western Army Group commanders would be useful here.

Eighth. Some tough and even confrontational statements by Yeltsin on the unacceptability for the Russian Federation of NATO eastward expansion would be very

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appropriate. Meanwhile it would be well-advised to threaten the Baltic countries with the introduction of Russian troops if they continue their policy of infringing the interests of ethnic Russians. A corresponding positive response in the garrisons will be assured.

Of course, the president's extremely crowded electioneering schedule does not lend itself easily to including even part of the aforementioned. Yet, a show of "unity of the Kremlin and the military" can bring that percentage of the votes which can ultimately tip the balance. As concerns the possible course of action by Gennadiy Zyuganov to win military sympathies and increase the CPRF leader's popularity in the Armed Forces, NEZAVISIMAYA GAZETA is planning to publish a corresponding material shortly.

Russia: Duma Speaker Says Yeltsin's Campaign Exceeds Spending Limits

LD0306102496 Moscow INTERFAX in English 0950 GMT 3 Jun 96

[FBIS Transcribed Text] MOSCOW, June 3 (Interfax) — Incumbent President Boris Yeltsin's re-election campaign is spending money far in excess of the amount allowed by law, Duma Chairman Gennadiy Seleznev of the Communist faction told a Monday press conference.

The Central Electoral Commission and the prosecutor general are silent on this matter, however, he said.

"The voter is being psychologically bombarded with information, the television is talking day and night and about supporting the incumbent," Seleznev said.

Yeltsin is spending "trillions of rubles" on his campaign, whereas the law limits each candidate to a sum well beneath this.

Such an intensive propaganda campaign by just one of the eleven candidates, Seleznev pointed out, "can have the opposite effect."

Russia: Press Publicity Material for Yeltsin Described

MM3105143896

[FBIS Report] Preelection publicity material on behalf of presidential candidate Boris Yeltsin in the Russian press monitored by MMU for the period 25-30 may has again followed the familiar pattern of the previous two weeks of campaigning.

IZVESTIYA, KOMSOMOLSKAYA PRAVDA and TRUD have run the Chelyushkina and Kirillova messages each day, alternating the one with the other, often, but not always, running these alongside advertisements for commercial products.

ROSSIYSKAYA GAZETA ran Chelyushkina's message on page 2 of its 25 May issue, and the Kirillova message on page eight (back page) of its 29 May issue.

SELSKAYA ZHIZN ran the Kirillova message on p 3 of its 28 May issue.

During the 25-30 May period, RABOCHAYA TRIBUNA did not carry either of these messages although it had done during the previous two weeks.

During this same period these newspapers carried other materials which fall into the category of campaign material for other presidential candidates. For instance TRUD, and KOMSOMOLSKAYA PRAVDA on 28 Mat ran SUMMARIES of Svyatoslav Fedorov's preelection platform.

TRUD 29 May and SELSKAYA ZHIZN 30 May ran presidential candidate M. Shakkum's appeal to voters taking the form of texts of first two presidential edicts which he would issue on "protecting citizens' rights and freedoms from corruption and arbitrary action by the authorities" and "imposing state order in the sphere of the economy" [not processed by MMU].

TRUD in its issue for 30 May carried Presidential candidate A. Lebed's 1,500-word article on how he would deal with the task of imposing 'order' in the country [see fourth referent item]. An editorial note appended to the end of this item states that the article is "published within the framework of the election campaign."

SOVETSKAYA ROSSIYA carried Communist presidential candidate Zyuganov's 9,000-word socioeconomic program in its issue for 28 May. The same paper in its 25 may issue carries on page 3 three pro-Zyuganov 'leaflets' which are surrounded with dotted lines and which appear intended to be cut out, duplicated, and subsequently handed out or fly-posted. Each of these measures around 5.5"x 9". One of them deals with Yeltsin's destruction of the armed forces, another singles out various categories of citizens and states what guarantees Zyuganov and the national patriotic forces will ensure for their specific interests, while the third states that it is essential that at the 16 june election the national-patriotic coalition needs to garner 32-35 million votes whereas in the State Duma elections this group received 25 million votes. Each recipient is urged to enlist at least one floating voter to vote for Zyuganov to ensure victory.

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Russia: Yeltsin 11 Points Ahead of Zyuganov in Poll

LD0206183496 Moscow NTV in Russian 1700 GMT 2 Jun 96

[FBIS Summary] According to a poll carried out for NTV Television's "Itogi" program, 35 percent of voters who intend to cast their votes in the Russian presidential elections on 16 June will vote for Boris Yeltsin. Communist Gennadiy Zyuganov comes in second place with 24 percent, down 3 percent from last week.

Grigoriy Yavlinskiy and Aleksandr Lebed trail in joint third place with 6 percent, Vladimir Zhirinovskiy would get just 5 percent of votes, and Svyatoslav Fedorov 3 percent. One percent of those polled said they would vote for Mikhail Gorbachev and Aman Tuleyev, while nobody said they would be voting for Yuriy Vlasov, Vladimir Bryntsalov, and Martin Shakkum.

If the election goes to a second round, 46 percent of active voters would vote for Yeltsin, 30 percent for Zyuganov, according to the poll.

The poll, carried out by the ROMIR market research agency, which is a member of Gallup International, was carried out before Yeltsin held talks with the Chechens in the Kremlin, and before he visited Chechnya. "Itogi" presenter Yevgeniy Kiselev suggested that these events could have pushed Yeltsin's rating up higher, but there is still the question of those 18 percent of those polled who have not yet decided how to vote.

Russia: Yeltsin's Election Program Reviewed

MK3105124596 Moscow SEGODNYA in Russian 31 May 96 p 1

[Report by Dmitriy Volkov and Aleksey Zuychenko: "Boris Yeltsin: Law Will Reign Supreme in the Country. The President Has Treated the People of Russia to 126 Pages of a Better Life"]

[FBIS Translated Text] Today, in the city of Perm, Boris Yeltsin will present the main highlights of his election program.

Basically, the program of presidential hopeful Yeltsin, according to the version that we are reviewing, is a nearly 130-page document entitled: "Russia: The Individual, the Family, Society, and the State" and is comprised of three sections, seven chapters, and one appendix.

The Russian head of state will today present his program of action for the period from his election victory until the end of the century, entitled: "Russia: The Individual, the Family, Society, and the State." No electoral considerations will compel Boris Yeltsin to cede his responsibility as the president who has headed the state since 1991: "This program is already being implemented because it is the continuation of my previous work," the president says in the foreword. Furthermore, he is responsible "for everything that has been done with the country by its former rulers in the previous 70 years; for what they could have done, but did not; and for what they are preventing us from doing now." In this context Mr. Zyuganov and others are assigned the role of hopeless underachievers in a story of high-school life.

No other candidate except Gennadiy Zyuganov can lay claim to a continuity for his ideas and of Russian state practice in the 20th century. But, for quite understandable reasons, Mr. Zyuganov prefers to turn to more remote traditions — witnesses to which could not possibly have survived until now. The incumbent president freely handles the material provided by the Russian history of his first tenure and stresses the main etatist ideas, which are not at all supposed to harmonize with existing practice, but which outline, rather, the intentions of Boris Yeltsin — intentions that he will only be able to translate into life in the next four years.

What is very reassuring is that the program begins with a chapter titled: "Freedom." This word itself could alienate a large number of voters from candidate Boris Yeltsin, but the bulk of the voters will hardly read it. And therefore the first chapter should apparently serve as spiritual dope for liberal-minded agitators and propagandists who, after this, are simply obligated to promote the idea among the masses of the best possible democratic father of the nation. The father, meanwhile, is very articulate: "I have made mistakes, but I know how to correct them better than anybody else!"

Reasonable and moderate but strict, the father of the family is ready to sacrifice much for the sake of "preserving civic peace and achieving public accord," and "ensuring sustainable development, not a revolution." In fact, it is only the continuity of the administration, which will be preserved should the president be reelected, and excessive "public accord" that can hamper the president — and Russia.

Although the father of the nation is by definition supposed to be eclectic, giving consideration to the various interests of his offspring, Boris Yeltsin and his team have managed to create quite a coherent document calling, among other things, for the building — through the efforts of, predictably, the known ruler — of a civil society and the creation of a market economy by the will of the man who "will not allow democracy to be used for a revival of totalitarianism."

The state, under Mr. Yeltsin's program, "is not the property of one political force," which should presumably

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be understood in the sense that it is not property in the first place and does not lay claim to total interference in society. This corresponds to liberal views that turn the "apparatus of violence" into a mechanism of accord. Thus far such transformation has not been achieved, and Mr. Yeltsin, renouncing interference in the life of society, apparently intends to do the whole thing himself — from start to finish. He declares the principle of the "unfailing operation of the law and only the law," admitting, however, that "time.... faith, and hope are necessary" for that. Clearly, to be able to respond to Boris Yeltsin's aspirations, society needs education, as does Mr. Yeltsin himself. True, the mere wish to learn makes him the chief candidate for classroom monitor.

In his program the incumbent president articulates a sober nationalism that is as different from the hysterical nationalism the Russians are accustomed to as are Christian tenets from the practices of the Inquisition. Boris Yeltsin cites two generally accepted rationales to justify toughness toward separatists: Russia is an integral state that must not be subjected to "the threats of chauvinism, separatism.... [and] political nationalism."

Mr. Yeltsin — at least for the time being — refuses to sack odious figures like Pavel Grachev, whom civil society blames for the death of civilians and military servicemen in Chechnya, but he firmly promises to hold "political negotiations with the separatists." Disciplinary measures might follow later. For the foreseeable future the president promises: "By the end of this year Chechnya will become a peaceful territory of the Russian Federation.... Law will reign supreme in the country. We shall curb corruption and street crime. In two years the streets of our cities will become safe — I will do it."

Russia: Zyuganov Meets Agricultural Workers, Reproaches Yeltsin

LD3105160796 Moscow Interfax in English 1441 GMT 31 May 96

[FBIS Transcribed Text] MOSCOW, May 31 (Interfax) — Gennadiy Zyuganov, leader of the Russian Communist Party and a presidential candidate, has said the goal of incumbent Russian President Boris Yeltsin's campaign is "to cheat the country into re-establishing him on the throne."

Meeting with over 500 agricultural workers from 51 Russian regions Friday, Zyuganov said that Yeltsin's campaign had turned into "the theater of the absurd." He reproached Yeltsin for making public his program only today, without giving an account of his activities for the past five years.

Zyuganov said the opposition has compelled Yeltsin to wage his campaign under patriotic slogans but one should not believe in the sincerity of this political metamorphosis.

Speaking about the agricultural policy of the incumbent president, Zyuganov said Yeltsin is getting even with the rural population of Russia "which has never voted either for himself or for his reforms."

In accordance with his anti-crisis program, Zyuganov promised to make agricultural policy a priority, develop all forms of land ownership, provide state support to the agro-industrial complex and eliminate the difference in prices between agricultural goods and industrial goods for the agro-industrial complex.

Russia: Zyuganov Views Winning Over Half Election Votes in Coalition

LD3105122496 Moscow NTV in Russian 1800 GMT 30 May 96

[From the "Segodnya" news program]

[FBIS Translated Text] In Nalchik, a new day of preelection campaigning [on 30 May] began for Gennadiy Zyuganov, mainly with him laying flowers at the city's memorials. The presidential candidate spent practically the whole of the first day doing this.

The campaign program of the Communist leader in the capital of Kabardino-Balkaria changed a lot. The local party, having checked the weather forecast, cancelled a rally on the square and transferred the meeting with the electorate to the city's theater with only 700 seats.

Moreover, Zyuganov was unable to meet the republic's president or parliament. He was met only by Vice President Gubin. The meeting with the local party activists went according to schedule. The media were not allowed in again on the grounds that it was because of preelection campaign secrets.

Zyuganov decided to spend his free time handing out signatures and meeting the press.

In Nalchik, the communist leader said that on his return to Moscow tomorrow, he intends to hold talks with some third force representatives.

[Begin Zyuganov recording] If we united with a third force, we would get over half of the votes in any event, although we still hope that we will be very confident and successful in the first round.

As far as a union with Vladimir Volfovich [Zhirinovskiy] is concerned, that question is for the entire bloc to decide. We are discussing these proposals. So far I have heard them only from the mass media and I don't know how serious all of that is. [end recording]

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Zyyuganov said that he pins little hope on Zhirinovskiy, since the latter generally does not keep his word. Moreover, Zyuganov said that he is very satisfied with his trip to the south of Russia.

It came to light that, despite the rather high level of the meeting in Kabardino-Balkaria, the leadership of the republic is not pinning its hopes on the communists. Vice President Gennadiy Gubin said that a council for the support of Boris Yeltsin has been set up in Nalchik, which is headed by the first deputy prime minister of the republic. The vice president said that Moscow is helping the republic actively and does not see any point in changing the leadership. Moreover, Nalchik is sure that the sovereignty of Kabardino-Balkaria might be sharply curtailed with the advent to power of any other candidate, including Gennadiy Zyuganov.

Gennadiy Zyuganov completed his preelection trip around the south of Russia in the North Caucasus. He intends to set off for Novosibirsk and Krasnoyarsk next week. It is not yet known what the leader of the communists may say to his voters beyond the Urals.

During this trip he actively advertised his economic program, but as a rule, his commentary did not go beyond the theses which are already known.

A careful reading of the communists' economic platform shows that it covers the period up to the year 2010. That may mean that, should the communists come to power, they are counting on staying in the Kremlin for 14 years at least. [Video shows Zyuganov laying flowers at eternal flame, other memorial, street scenes, Zyuganov signing pieces of paper, interview with Kabardino-Balkaria official in office]

Russia: Zyuganov Interviewed on Election Campaign

MM3105151196 Moscow PRAVDA-5 in Russian 31 May-7 Jun 96 pp 1,3

[Interview with Gennadiy Zyuganov, Russian Federation presidential candidate representing Russia's popular patriotic forces, by Aleksandr Skrypnik and Leonid Fedorov: "Just a Little Bit, Just a Little Bit More..."]

[FBIS Translated Text] We were sitting with Gennadiy Andreyevich Zyuganov in the same office that had been the venue of the sensational talks with the Russian bankers and business people, those whom even faithful IZVESTIYA, to please the powers that be, had accused of imbuing their celebrated letter with a special purpose that was allegedly part of some cunning plot...

What about the Communists? They were frightened, perhaps? Perhaps they have a foreboding? So our first question to Gennadiy Andreyevich Zyuganov was:

[PRAVDA-5] Yeltsin has power, money, and the media at his disposal. What do you have to counter this juggernaut operating against you?

[Zyuganov] Let us start by saying that this juggernaut is on its last legs. The president has little left, to put it mildly, to dispose of. The preelection fireworks are merely a smokescreen. The authorities are not functioning. Laws are being adopted, but, as a rule, they are not operating. There is no way the regime can wreck everything completely. If, for example, it could have carried on dismantling property as high-handedly as Chubays and had carried through this "privatization" everywhere, we would already have lost all the basic sectors. If, as all the Chernichenkos [Yuriy Chernichenko — leader of Peasants Party of Russia] advised the president, the collective farms had been consistently broken up and the land sold off, the country would have collapsed a long time ago. People are very clearly aware of this today. Real life is a lesson for all

I was at the machinery plant in Smolensk; over 1,000 people came — people who only recently would not even listen to us. Now they greeted us and gave us a standing ovation as we left. The reason being that there eyes had been opened: No one at the top wanted their work and they were not being given their pay. People felt they had no future. This affects not only them, but their children, parents, and friends as well. They were conscious of this and had started vigorously backing the opposition.

[PRAVDA-5] When you watch the television you get a different impression. Everyone is apparently abusing the president, but the general tone is that he is our man. How do you explain that?

[Zyuganov] There are two basic factors at work here: There are those who are obsequious and self-seeking, those who live off the authorities, while singing their praises. On the other hand, there are those who are not free, who are enslaved, who are told: Either you are with the authorities or you are out of a job. Judge for yourselves. At "Ostankino" they dismissed one thousand talented employees, creative, thinking people. Now they are hiring their own, obedient people, who are able to tell barefaced lies. And grab money and extort dollars. Even OBSHCHAYA GAZETA candidly states that Russian broadcasting has been sold to the financial bigwigs while still in its infancy. They now regard creative people in television as their hired hands. Our television has always talked about being released from the fetters of the party monopoly, but now it has fallen foul of a new monopoly, a far tougher force.

Actually, I have the feeling that people in television find life bad and are sickened by it. Because a normal person

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cannot at the top of the program praise the current authorities and say what a splendid job they are doing and then comment on an endless series of pictures of abandoned villages, plants standing idle, children living in penury, and starving old people...

[PRAVDA-5] But you cannot stand by the television set and explain all this to the viewer. Particularly as you are far from on a par with the propresidential television and the Kremlin-controlled media.

[Zyuganov] True. But we use a different method. We have our own information technique. It is called "From person to person, from house to house, from heart to heart." We are well organized. Our organizations cover the whole of Russia. There are 20,000 primary organizations alone. Even in the most remote hamlets we always find three-five people who know that we are telling the truth. They will go round all the houses, explaining our program and appeals.

Even Viktor Ilyushin, the Russian Federation president's principal assistant, in his appraisal of our election team's work, said that the Communists are capable of organizing a very powerful campaign of agitation and propaganda.

He is right there. We are able to find a way out of the apparently hopeless situations we are put in. For instance, last year, during the Duma elections, we reused to pay for air time on Central Television. Indeed, at that time one minute's air time cost between $20,000 and $30,000. That was an astronomical sum to us then, as it is now. But we had no regrets: The people relied more on live speech than on the "box."

Particularly as Russia's strength has always been its provinces. In the Altay I held 12 meetings in two days, seven in Smolensk, and six in Ryazan. The halls were packed out everywhere. Students came and there was a good atmosphere. They were very respectful. When I started to tell them about the program, the first question was: But why does our television ignore it?

[PRAVDA-5] Are you able to say: OK, we will try to get by without these media?

[Zyuganov] I don't think so. Look: Air time is distributed among the contenders and straight away it becomes clear that the authorities are unable to play by the rules, just as they are unable to live according to the law. Yeltsin "fills" all of the broadcasting channels. They say: He is the actual president, and this is the president's prerogative apparently, worldwide.

That is stretching a point. Where, then, is the justice in the world? Recently I have visited 72 of Russia's 89 regions, and I have probably sensed for the first time the way the image of me peddled by the official media conflicts with the real picture that the people I have occasion to meet with have of me. One student actually said: "Gennadiy Andreyevich, we encountered you and got to know you first on 'Kukly.' We do not watch news programs, and now we see you in the flesh and we can see how much television lies." So much for the individual's "sacred right" to objective information!

[PRAVDA-5] The president's tactics are finally established. What is your future plan of campaign?

[Zyuganov] Our tactics are extremely straightforward. Now that the election platforms are known, we favor a direct nationwide dialogue, a comparison of positions. I said to Yeltsin: Let us meet on the air. Let us take two, three or four major topics and debate them in front of the electorate, without any prompting and assistance. Let people judge what each of us is made of. You know the answer: a gruff refusal. Yeltsin is clearly afraid of a one-on-one discussion and is doing his utmost to avoid it.

[PRAVDA-5] The president has invaded the "Red belt." What do you think of this? Do you not think your electorate is wavering?

[Zyuganov] You know yourself: It is not every year that a live president comes to your city. Particularly as there are all manner of stories going around about Yeltsin: He dances, he conducts, he gives kisses, he sleeps through a meeting in Ireland, and much more. How can you miss a "show" like that? Add to this the obliging attitude of the administration. It is no problem to organize a meeting with 2,000-3,000 people in an oblast of 1.5 million. But it is all superficial. But if you take a more serious view, you have to consider that in Belgorod Oblast, during the Duma elections, more than one-half of the electorate voted for Ryzhkov. I do not think people will change their minds after one meeting with the president. In fact, this election carnival could rebound on Boris Nikolayevich. People will come along for a laugh, but they will think hard before voting for this "jolly fellow." Ilyushin recently issued an opportune warning: Do not try too hard.

[PRAVDA-5] As is known, the Kremlin is prepared to stick it out to the bitter end. The figures may be juggled, there may be provocations. And what about action to burn down the Reichstag, as once happened in another country?

[Zyuganov] There are objective factors that no "Reichstags" can eliminate or change. Indeed, the authorities are capable of all manner of deception. But they cannot change the situation in the country. We will do our utmost to monitor the course of the elections and the

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count from start to finish. We will catch any crooks. Now let us use straightforward language. What does it mean, "juggling the figures"? It is a crime! And anyone who does it is a criminal. And what do you do with criminals? I hope that among our current ruling tram there will be intelligent and sensible people who realize this. Then they will prevent any attempts to "juggle" the results of the vote.

[PRAVDA-5] Now, Chechnya. Official propaganda claims that the war in Chechnya benefited the Communists... that despite the recent policy of reconciliation, it is a fire burning beneath the president and preventing him from settling in his seat.

[Zyuganov] Benefited them?! This claim is not only rubbish, but it is sheer provocation. Our view is that if we have a strong country, happy people, and friendship between peoples, we would have the strength sand ability to repair the "joints" of our society, broken as a result of the country's collapse.

[PRAVDA-5] But do you have a plan for Chechnya?

[Zyuganov] I have talked about it on several occasions. Incidentally, Yeltsin has borrowed something from it. Although in his own way: Instead of the only possible method of popular diplomacy he reduced it to a bureaucratic procedure in the Kremlin. So the two leaders (neither of whom in fact is in control of his own situation) have talked in a "czarist" situation, and what happens now? The processes in Chechnya have long been out of control. Orders will do little to rectify matters.

I can definitely say that I spent four years dealing with the North Caucasus, making peace between warring clans in Chechnya, combating the custom of the blood feud, which has reigned there from time immemorial, and I established a common language with people. I did some peacemaking in Prigorodnyy Rayon, North Ossetia. I have good contacts with the North Caucasus and someone comes from there nearly every day.

You have to take into account the ethnic and cultural mentality, religion, clan system, and customs. Look, until you have read the Qur'an twice, until you have invited the leaders of the tribes, the elders, and the mullah for talks, until you have reached an understanding with all of them, you will get nowhere. So we sent members of our party leadership to Chechnya and told them to reach an understanding. They spent three weeks there talking, while the bombs rained down. They talked with everyone they could get hold off and brought back some proposals. Five times, in the Duma, we initiated an examination of the matter, and five times our faction proposed a peaceful settlement. And there was no reaction either from the government or from the president.

[PRAVDA-5] A few words about the economy. Many people say that the arrival of the Communists would would mean the redistribution of property. In your view, how is "right" privatization to be distinguished from "wrong"? Where is the dividing line?

[Zyuganov] I have read the Comptroller's Office report on privatization. I am a calm enough fellow, but I was simply staggered by the way the privatization had been conducted. The destatization of property was a barbaric process. Entire sectors were destroyed as a result. Now the mess that has been created must be resolved in the following way.

First, if an enterprise has been privatized and it is operating normally, trade union legislation is being observed in the collective, and taxes are being paid, then it should be supported and encouraged and allowed to operate.

Option number two: The enterprise has been privatized, but work is at a standstill. You have to engage specialists to look into the matter and make a proper decision. We must look together at how to improve things and save the enterprise.

'Finally, the third scenario: The new owners are simply raking it in for themselves and destroying everything in the process. For instance, they acquire a modern plant merely in order to close and destroy it, because it is their firm's competitor (this is commonplace nowadays), but this is intolerable. The law must intervene in this case.

[PRAVDA-5] And what about the banks?

[Zyuganov] We have to have banks — both state and commercial. It is important in this connection that they support primarily Russian commodity producers and Russian financial interests. If Western banks are allowed into our markets now, they will devour our bankers in a week. Any state is bound to protect its own finances and its own commodity producers. Anyway, we have devised a whole series of measures to support our peasants, private farmers, workers, business people, bankers, and scientists.

[PRAVDA-5] There is much talk of the baneful influence of the president's entourage on his actions and conduct. Now you have your own entourage. What kind of relationship do you have with it? Is it actually possible to arrange these things?

[Zyuganov] Well, you know, I think it is an artificial topic as far as our party is concerned...

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[PRAVDA-5] But they say that you are under pressure from your own Central Committee.

[Zyuganov] Good lord, what don't they say about us! Our media, prompted by the powers that be, are past masters at disinformation. Remember the recent scandal over the falsification of my replies to questions published in AMURSKAYA PRAVDA? This is an entirely typical example of the campaign of disgraceful lies launched against us.

As for my colleagues. they are very different people. The deputies form our communist party are major administrators and industrialists, lawyers, experienced journalists, teachers. People of some 30 nationalities, representing all regions. The average age, incidentally, is 44. They are well known all over the country. Svetlana Goryacheva is a top professional, Viktor Ilyukhin is head of a major committee. With colleagues like these the "team" process of mutual enrichment with ideas and experience is very fruitful.

[PRAVDA-5] Family members are involved in Yeltsin's campaign. How are relations sin your family since you became a famous politician? It is a problem, apparently: nepotism in politics.

[Zyuganov] There are many teachers in my family. One thing distinguishes them all — they have worked honestly all their lives. As for politics, we have decided that one politician in the family is more than enough. Although my household respects my work. [Zyuganov ends]

We wanted to end this conversation with G. Zyuganov with words from the appeal by the sixth plenum of the CPRF Central Committee, held the other day, to Communists and their colleagues because these words are consonant with the attitudes of the conscientious people who have not yet decided where they stand at the upcoming election and are still wondering who to believe in.

The Communists say:

"A victory for the popular patriotic forces is ultimately a victory for all strata of society, even for those who perhaps do not yet realize it. It is the sacred duty of every Russian patriot to persuade them of the need to definitely change the present regime and fundamentally alter the current situation.

"The nearer we get to the elections, the worse the orgy of lies and slander will become. They will hurl filthy accusations at us, organize provocations, and maybe try to intimidate and persecute us psychologically and physically. But we must proceed without deviating, heads held high, because we are bringing people the truth, leading them to light, goodness, and social justice.."

Russia: Zyuganov Discusses Elections, Answers Callers' Questions

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[Studio interview with Gennadiy Zyuganov, presidential candidate and Communist Party leader, by Aleksey Venediktov and Vadim Granin; date not given — live or recorded; from the "Contour" program]

[FBIS Translated Text] [Venediktov] Gennadiy Andreyevich, it was very difficult getting you to come here in our studio because you are always away on visits. Thank you for coming. The first question that you should probably be asked is what do you get from these visits? It is worth it to go anywhere at all?

[Zyuganov] You know, it is worth it. In the past two years I visited 72 republics, territories, and regions of Russia, but only in the past two months have I travelled to all the largest regions of the country — Siberia, the Urals, the Volga, and the central region. I have just returned from visiting Volgograd, Rostov, Novocherkassk, Krasnodar, Novoshakhtin, Stavropol, Maykop, and Nalchik. These are the best centers. I wanted to see what the local audiences think of my economic platform and my strategy. These meetings were attended by 140,000 people in just four days.

[Venediktov] Do these meetings inspire you or do you yourself inspire people at the meetings? What is your impression?

[Zyuganov] I believe it is mutual. They are being inspired and we too, by expressing our views, are trying to convince them to support us. I see the situation is good in the southern regions. We enjoy a lot of support there. We are supported by university students, and even the Cossacks of Novocherkassk have received us very well, with more than 70,000 gathering at the square and in the hall.

[Granin] Gennadiy Andreyevich, at the last elections the Communist Party gained only 15 percent of votes in the two capitals — Moscow and St. Petersburg. How do you explain this attitude in the capital cities?

[Zyuganov] There is a saying that the heart of Russia is in the provinces. As for the capitals, the situation is different. In our capital, every fourth person is working in the services that are, one way or another, related to foreign states. Nearly 80 percent of all Russia's finances pass through our capital. There is a scope for sharing. The situation here in our capital is essentially different.

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This is why today the capital does not decide all. Regrettably, many people are even unwilling to come here today, if only because it is difficult even to buy a ticket to get here from the nearby regions.

[Venediktov] Gennadiy Andreyevich, it is now obvious that two candidates have now forged well ahead of the rest — you and Boris Yeltsin. In the media, Yeltsin's team and your own team are now accusing each other of possible attempts to rig the election results. Presidential aide Georgiy Satarov recently even said that the Russian Communist Party has set up a parallel system of vote-counting precisely to tamper with the votes. On the other side, your team declares that the Central Electoral Commission, how shall I put it, is not entirely fair and can also tamper with the results. These mutual accusations of tampering — how should an ordinary person deal with it? How can he be sure that there is no rigging and that his vote will be counted exactly as he cast it?

[Zyuganov] Two and a half months ago I published my platform. In it I clearly proposed that all the political leaders and the three branches of power sit together at one table and sign an agreement — first of all, the elections will take place and the vote counting will be honest; their results will be accepted by all political sides; everyone will be guaranteed freedom of speech and freedom of democratic processes; and there will be no persecution either on ideological or political considerations. Regrettably, the authorities did not react to my appeal. On the other hand, the people who dispersed the parliament and unleashed the war in Chechnya, who promised two Volga cars per voucher and undermined the results of the referendum five years ago are still in power today. They continue to count and manage the money and issue orders.

I am in favor of honest elections. Therefore, I propose a simple solution and will be only happy if Mr. Ryabov [chairman of the Central Electoral Commission] hears this. A representative of each candidate should be given a copy of the protocol of the vote count from every polling station — there are, I think, about 70 or 90 thousand of them. Then there would be no doubts. This is what we propose. It would be fair and democratic. The results would be announced and published next morning in every paper, including your radio program, which thousands of people listen to.

[Venediktov] Gennadiy Andreyevich, your colleague and presidential candidate, Aleksandr Ivanovich Lebed, today appealed to all 11 presidential candidates to sign an agreement to the effect that the winner's victory would be acknowledged by all those who lost, ten people in all.

[Zyuganov] Incidentally, I suggested the same a long time ago. The results of the elections are sacrosanct and no one has any right to violate them. Moreover, I would like to state that if our bloc wins the elections, we will extend our hand and interact with all branches of power and we will scrutinize the composition of a coalition government.

Even if Yavlinskiy, Lebed or Fedorov lose the elections, we will present them with different options of resolving personnel issues, to attain a maximal national consensus in the implementation of economic and social policies.

[Venediktov] Gennadiy Andreyevich, you have mentioned the topic of national consensus, something all the presidential candidates are now talking about, so let me turn the question around somewhat. I understand your party's position if it wins, but if your party came second, let us say, are there any conditions under which, having lost the elections, the Communist Party would be ready to extend its hand to the victorious president to create a coalition government?

[Zyuganov] I want to say that we will submit to the will of our citizens, as reflected in the election results. This is the main principle of our society's democratic system. As for government matters, it all depends on the kind of program on offer. I have recently promulgated my social and economic program. Leading economic schools took part in its compilation. We preliminarily let the main planks of this program be debated in public in the State Duma and invited government and presidential representatives to the debate. Incidentally, the government representative did take the floor and let us have his views concerning the situation.

[Venediktov] Please tell us, you said either today or yesterday, I do not recall when exactly, that the president's program is two months late. Are there sections in your program that overlap with parts of the president's program, on which you can reach agreement? You must surely have studied the president's program?

[Zyuganov] Well, generally speaking, it is the third change of the political jacket for the president over the past four years. He used to wear the communist jacket, followed by the democratic and social-democratic jackets. He is now becoming an autocrat.

He now uses many of our expressions and ideas which we started to use way back three years ago. He likes to talk about a strong state, welfare protection, guarantees; he is again concerned for the family, the veterans, and the army. Well, he should not talk or make promises, but, instead, he should give us an account of what he has done over the last five years in office, a golden rule of any election campaign.

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He should also agree to a public dialogue with his opponents. I asked him to do so three times, including in writing. He refuses and, in my view, he is afraid of a public dialogue.

Well, let me take this opportunity right now, today, to suggest that time is found on Russian Public Television first channel on 10 June and that people can phone in their questions from various regions of Russia; let them ask us questions. I am ready to answer any question with him and let our citizens choose the president they like best.

[Venediktov] Maybe this scenario is best applicable to the second round; otherwise, it will look like we have already selected two main contenders. Why should it be Zyuganov and Yeltsin, instead of, say, Zyuganov and Shakkum?

[Zyuganov] No, no, you were right, we broke away from the pack and leaders have a right to such a duel. On the other hand, it is interesting, even. All voters always watch the public debates of main contenders in the West and quite frequently such debates determine their election choices.

[Granin] Gennadiy Andreyevich, a question about Russia as a power, as it were. I, along with many others, fail to understand why the leaders of the Commonwealth of Independent States, that is to say former Soviet republics have unanimously, to a man, lent their support to Yeltsin, rather than to you. You know, it seemed to me, and many others, that they ought to support you.

[Zyuganov] A kind of Politburo habit, an old way of doing things?

[Granin] I will be very grateful if you could explain this.

[Zyuganov] It is their right. On the other hand, since they call themselves the Commonwealth of Sovereign States, they should not interfere in sovereign Russia's internal affairs. We respect their customs, languages, traditions, their right to determine their own political systems and to hold elections — let them respect our rules, too. All in all, it represents interference in the internal affairs of the Russian Federation and that is putting it mildly.

As for me personally, I have had meetings with Lukashenka, Kuchma, Nazarbayev, and with a number of members of parliaments and figures and I am confident that they will respect the choice made by Russia on 16 June.

[Granin] Fine. How do you intend to build relations with them, with these sovereign states?

[Zyuganov] We will build relations on the basis of equality, respecting fully their customs and traditions and proceeding clearly from our people's wishes, endorsed by the State Duma in mid-March. No one will encroach on anyone else's sovereignty, independence, or integrity. We will restore the ruptured ties, on the basis of documents accepted in the whole world. Where this is concerned we have signed a declaration at the Council of Europe and we will keep strictly to these documents.

The right to reunification belongs to the peoples themselves, only to the peoples.

[Granin] Do you think that the Soviet Union can, in principle, be restored?

[Zyuganov] It will be a renewed union state. Evidently it will have somewhat different parameters, but the first thing we will do is to restore ties between Russia, Ukraine, Belarus, and Kazakhstan. The reason for this is awfully simple, banal even: these three republics used to deliver more than 75 percent of their output to the markets of the Russian Federation. If we fail to restore these ties, we will be isolated when we go under and then we will disintegrate once and for all. This is not in the interests of Ukrainians, Belarusians, Russians, or Kazakhs. The sooner we do this, the greater the mutual benefits will be.

When I spoke at the Council of Europe and had conversations with them, they agreed with me. At an inter-parliamentary meeting in St. Petersburg, they all quickly voted for restoration of all forms of ties — cultural, legal, or scientific.

[Venediktov] Gennadiy Andreyevich, you raised the topic yourself. There will be the governor's elections in St. Petersburg tomorrow. They do not receive us in St. Petersburg and we can perhaps enjoy a spot of agitation or counter-agitation. Suppose you are a St. Petersburg resident, which of the candidates will you vote for, irrespective of your party allegiance, just as an individual voting for a mayor of the city you live in?

[Zyuganov] Let them make their own choice. I am a presidential candidate and many voters listen to what I say. Therefore, I will not interfere in their internal affairs. On the other hand, I want to say that as presidential candidate, I will be working seriously and consistently with anyone they elect.

[Venediktov] Another question. On 16 June there will also be the Moscow mayor's elections. You live in Moscow and you will probably be taking part in these elections. Whom will you vote for?

[Zyuganov] June 16 is still far away. I will discuss it with my family and make a wise decision.

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[Venediktov] Questions such as the mayor's elections are discussed with the family and not on the party level?

[Zyuganov] Yes, with the family. Speaking of freedom, I am the only party member in the family. [brief program identification reminder]

[Venediktov] Gennadiy Andreyevich, the subject of mixed economy constantly comes up in your program and in your speeches. At the same time your team — not yourself, I stress, but people in your team — are saying that they will be launching investigations into who privatized what and how people made their money and so on. On the basis of what laws will these investigations be carried out, that is, if you are elected?

[Zyuganov] To answer the question what is the essence of the mixed economy, one must, first of all, answer the question why has a powerful state, such as the Soviet Union, disintegrated. One of the main reasons was the monopolization of property by the state and especially the paralysis of scientific and technical ideas which were gathering dust and were not being implemented by the industry. We missed the information revolution that has swept the world. This is why it is important to establish some kind of proportion between the state-owned property, collective shareholding, and private ownership. This is what the mixed economy is. On the other hand, the forms of ownership cannot be abolished by decree. They must be supported by the current economic activity. This is why we will support all forms of enterprise.

At the same time, we went through privatization. It was dishonest and destructive and, in many ways, plain robbery. But it happened all the same. In politics, I am a complete pragmatist. If you start taking it all away tomorrow, snatching it back, next day they will be all shooting each other in the country. So, our view if as follows: What has been privatized already and what is now bringing in taxes, what is working normally and bringing profit, while observing the trade union legislation, must be supported and encouraged. This is a perfectly useful activity.

There are also those who privatized an enterprise and then stopped the production. Why did they privatize it? You need this form of property only if it proves more efficient. If it does not work, you must find out what is wrong and decide what to do next, using professional advice. And there are some who did not even privatize anything, they simply grabbed an enterprise and then destroyed it. Often, there are 200 or 300 other enterprises that are depending on it and thus the whole chain of enterprises is being brought to a halt.

The state must have the controlling block of shares in the enterprises that are of crucial importance to the nation and the people, primarily, in the energy and defense industries and in the sphere of fundamental science, as well as the enterprises connected to transport, communications, and so on. Everyone must know how to manage his property and the state should create a normal business environment for them.

I have recently met some young businessmen, a talented and well-educated bunch of people. They are graduates of the Institute of Physics and Technology and Bauman [Moscow High College of Technology]. They were working in Moscow research institutes, but lost their jobs. Then, they went on setting up their own businesses, offices, and companies. They employ members of their families and other people. They pay their taxes, everything is above board. These people should be given help and encouragement, but they are being stifled again with exorbitant rent on the office premises and huge interest rates on credits. This is not a market; this is nonsense. They stifle our own business community while encouraging overseas businessmen.

[Venediktov] Gennadiy Andreyevich, in your view, will all such forms of property be able to coexist in a mixed economy if your party is in power?

[Zyuganov] By the way, we have 200 parties, movements, and organizations in our bloc — the left wing and the agrarians, the trade union, veteran and youth organizations, and creative associations. This is natural and normal. Our platform is written not as a party document, but as a nationwide one. The principal values mentioned in it are hard work, good education, good healthcare, knowledge of the country, and security. In other words, the values that are dear to every man irrespective of what party he belongs to. We intend to form a coalition government, not a one-party government. I think it will benefit us all. [program identification and commercial break]

[Venediktov] Gennadiy Andreyevich, it might seem strange. OK, we all went to school and studied different history textbooks. You and I studied one set of textbooks and these days they use different ones. Very often people in your team and yourself are trying to reassess what happened in the 1930's, 1940's and 1950's, in other words, the Stalin era. I should like you to tell us, our listeners and your voters, what do you think of that period?

[Zyuganov] I should like to congratulate everyone on Children's Day. Today I visited orphanage number eight. I gave them my 5 million ruble Sholokhov prize that I was recently awarded, so as to help these children

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who have no parents and whose life is so hard these days.

Speaking of the 1930's, that period was very complex and controversial. On the one hand, there were repressions. The party has long since condemned them very harshly, and it swore never to repeat these things. Regrettably, today repressions are sweeping the country again. Some people are being evicted from their houses, some are simply being killed. Nearly half a million were killed and a million wounded in the wars in the southern regions. The important thing is to draw conclusions and not to repeat such mistakes.

On the other hand, we had the Great Patriotic War. And it is not so easy to imagine our victory without Stalin. When we celebrated the 50th anniversary a year ago, Yeltsin did not remember anyone. But this year, at the victory parade on the eve of the elections, he remembered everyone — the Soviet people and the Red Army. I think he will soon remember the Soviet leaders and the Soviet government because it is politically advantageous.

[Granin] Then I shall ask you another question. I am asking you as a graduate, a man actually with more than just one degree...

[Zyuganov, interrupting] Yes, I have quite a few degrees, including a military school.

[Granin] Well, I would ignore the 20th century, but if you like you can include it, could you say which of political figures in the whole of Russian history are dear to you? Not, perhaps, in their policy, but by their nature, their actions and their statesmanship. Who is more dear to you, whom do you read and whom do you read about more often? Whom do you feel is the best?

[Zyuganov] You know, for me this would be a collective image. When working on my book 'Russian and The Modern World', I was researching the 1,000-year long history. The collective image includes Prince Vladimir who baptized the Russians — it was a very important period when Russia became a unified state, strong and powerful in those times. I think Peter the Great too, did a lot to bring our country together, although he might have carried a number of his reforms in rather barbarian ways. I think Tsar Aleksandr III implemented his policies in a very intelligent and powerful way. He did not stage wars, but in 20 years he extended Russia's borders by over 1,000 km southwards and increased its potential two or even three-fold. Stolypin too implemented several reforms successfully.

Lenin was excellent in carrying out his policies when, after seeing the country ruined, he introduced the new economic policy, strengthened the ruble and created a union state. In other words, in every period of the country's history there were people who had increased the might and the influence of our great power. And there were also people who, most unscrupulously, have given everything away, squandered it all and are now saying what a beautiful people they are and that they should be elected again. I think nothing good will come of this.

[Granin] Gennadiy Andreyevich, tell me please, I am not talking now about excesses with shooting and such. God forbid that we should suffer another coup...

[Zyuganov, interrupting] Yes, I agree with you ...

[Granin, interrupting] But you know, people are afraid of some sort of an ideological shift. You know, Aleksey Vasilyevich and I are both journalists and teachers...

[Zyuganov, interrupting] And so was I...

[Granin] Good, that means this problem concerns us all. Tell me, please, would our education system return to something we have already had before, such as everyone using the same textbook? I do not even mean any subject in particular. Let's take math. Will the whole country be using the same textbook again and will everyone be taking the same exam?

[Zyuganov] This will never return, you know it perfectly well. It is long time since everyone had to use the same textbook. We had schools specializing in math, humanities and so on. But the basic education, such as the 33 letters of alphabet, must be obligatory. Otherwise, one will not be able to enroll in any higher education establishment in the country. The problem with today's education is that the main, basic system of core subjects has broken down. Now everyone needs extra private tuition and the absolute majority of the population cannot afford it. Some cannot even get into a good university because they cannot afford the train tickets.

On the other hand, we had a classic textbook by Kiselev — a superb math textbook. Here we threw it away whereas in Israel it is being used as one of the best textbooks. This is why I am in favor of using what has already proven to be good to its maximum potential. On the other hand, I am against uniformity. It does not give us the necessary results. At the same time we must support talent, be it in music, math, or history. I have recently seen how our schoolchildren performed in various international competitions. Our children won prizes almost in all of them. Our school always was and remains one of the best, even though it is being destroyed. My diplomatic friends who are working overseas — in Sweden or Switzerland for instance — say their children's knowledge is no worse than that of the local schoolchildren.

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[Venediktov] This was Gennadiy Zyuganov and Vadim Granin. We shall have a phone-in soon afterwards. All right, in a situation where education has deteriorated so much, do you think that the system of private education is good or bad? What do you think of private schools the number of which is growing by the day?

[Zyuganov] The state must guarantee to all children the right to have not just secondary, but also higher education and the state must support it. We should not be looking into our purse when we are sending our sons to college. We should know that so long as he is intelligent and studies well, he will definitely get a higher education. One's talent cannot be measured by the weight of one's purse. On the other hand, should you have enough money and want to educate your offspring you are welcome to sent him to Paris, London, Istanbul, and so on. This is his own private matter. But the state must guarantee a proper education for all.

[Venediktov] Gennadiy Zyuganov, 16 June, elections of the president of the Russian Federation. It is 1641 now and it is time for our respected listeners to tune in. Our telephone is: 2031922. Let me remind you of our rules: You will have 15 seconds to put a question directly to our guest, the presidential candidate, Gennadiy Zyuganov. He will have 30 seconds or one minute to answer it. Good afternoon, we are listening to you.

[Unidentified male caller] Hello, I have a question for Gennadiy Andreyevich. The point is that he is wearing on his lapel the badge of the nonexistent Supreme Soviet as I understand this. All his rallies are being carried out under the slogan of the nonexistent Supreme Soviet.

[Venediktov] What is your question then?

[Same caller] My question is whether he has a moral right to nominate himself as the presidential candidate.

[Venediktov] Is the question clear Gennadiy Andreyevich?

[Zyuganov] Thank you, I respect the heraldry of 1,000 years of history: The standards under which our ancestors fought on the Kulikov, Borodino, and Prokhorovsk battlefields. The standards and colors should unite people. This is the will of all citizens. The current heraldry has not been approved. The State Duma has examined this issue, but it has not solved it. I propose that a referendum be conducted to ask which flags could unify. As for my personal view, I know for sure that a soldier takes the oath only once. I took the oath 30 years ago, when I swore allegiance to the Red Banner on which the words, For our Soviet Motherland, were written. I do not want to be a perjurer.

[Venediktov] Gennadiy Zyuganov. Good evening. The next question.

[Unidentified female caller] I have the following question for Gennadiy Andreyevich. Some time ago, Lenin and probably other authorities pronounced the right of the nation to self-determination, up to secession. Lenin partially implemented this principle, by let us say liberating Finland.

[Venediktov] What is your question?

[Same caller] Is Gennadiy Andreyevich prepared to continue this policy and what is his attitude to the principle of self-determination?

[Zyuganov] I support the principle of self-determination, but without secession for one simple reason. The break-up of the mighty state will result in a huge war and great upheavals at the end of this century not only in Russia, but to a great extent throughout the world. Therefore, I support the principle of respect for individuality [samobytnost], sovereignty, culture, language, traditions of each nation, but within the Russian Federation's territory.

[Venediktov] Now, my question Gennadiy Andreyvich. How do you assess the negotiating process that is under way in Chechnya?

[Zyuganov] To begin with they should not have started the war. There is no war solution to this problem. I have spoken about this hundreds of times and I presented documents from the last century, saying that we fought in that area for almost 50 years. Both officials and military reached a conclusion in those documents a long time ago that the problem could not be solved by means of war. On the other hand, why has Mr. Yeltsin appointed a commission headed by [Viktor] Chernomyrdin 15 months after the war has started and not an hour after? Why has he organized the talks two weeks before the elections instead of holding them earlier when thousands of lives could have been spared? I believe that this is a political juncture. My colleagues have worked with all the warring sides. There is a law of any unfair war: Those who start the unfair war, cannot end it. Therefore, we need a degree of trust. I am quite certain that the government of people's trust will succeed in stopping the war. This is our main task. There will be no more wars or animosity in the Russian Federation.

[Venediktov] Well, Yeltsin has started talks with Yandarbiyev. Will you sit down at the negotiating table with Basayev if you were elected the president of Russia?

[Zyuganov] I would not have started the war...

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[Venediktov, interrupting] But you will inherit the situation, Gennadiy Andreyevich.

[Zyuganov] Whatever I inherit, I will immediately convene a congress of peoples of North Caucasus and include all the interested sides into the talks, including the warring sides, the current ones. I will invite authorities both in the Islamic world and in public opinion, the leaders and heads of clans. I am certain that they will reach an accord. Ninety-nine percent of both Russians and Chechens in Chechnya do not want this disgraceful war.

[Venediktov] Gennadiy Zyuganov 16 June — the elections of the president of the Russian Federation. Our telephone is 2031922. Good afternoon, you are on the air.

[Unidentified male caller] Good day, I have a question for the president.

[Venediktov] You are already the president, Gennadiy Andreyevich.

[Same caller] Pardon me, I meant the presidential candidate. It is a well known fact that it is a criminal offense in Germany to deny that Hitler's political repressions took place. Does the candidate think that the approval of reprisals under Stalin, since Stalin was Hitler's analogue, should also be regarded as a criminal offense.

[Zyuganov] Forgive me, but our country was the winner in the war, whereas Hitler was the aggressor who wrapped himself in the brown swastika and destroyed all nations: Russians, Ukrainians, Belarusians, Jews, everyone on end. Therefore, we should not be treated the same way. As for the reprisals, we condemned them a long time ago. No one is going to repeat that. Moreover, my platform says that we are even against historic vengeance. History should be studied and not denounced. We are urging you to have a similar approach toward history.

[Venediktov] Zyuganov on Ekho Moskvy, 203- 1922, good afternoon. You are on Ekho Moskvy. We can hear you.

[Unidentified male caller] Gennadiy Andreyevich, hello. I am a communist, a communist from the year 1944. I wish you success. How do you evaluate your chances of winning? How do you assess your chances? We are counting on you.

[Zyuganov] Thank you. We have a good chance of winning. But you will have to keep in mind that there will be no winners in a devastated and humiliated country, especially over one's own nation. Therefore, whoever comes to power will be greatly responsible for justifying the trust of the electorate. I urge you and your colleagues to work more intensively with your neighbors, friends, etc. Twenty-two million voted for us in December, one-plus-one. We will win if we add at least one more vote to each of those.

[Venediktov] Good afternoon. Can you explain the difference between the CPRF and the CPSU?

[Zyuganov] The CPSU is the system of managing the country. It was not just a party. It had a hierarchical system, the central committee. It accumulated everything, districts and regional units, let us say. And it existed as a party organization at labor collectives, where the secretary was never more important than a plant's manager. You know this better than me. Whereas the CPRF is one of the many parties of the country. However, it is the most numerous one with 530,000 people and 20,000 party cells. It publishes 150 newspapers and journals. It maintains contacts and it has a powerful faction in the Duma and in all the local bodies of management. This is a political organization which recognizes pluralism and multi-party system, freedom of speech and political activity, and it differs substantially from the CPSU. We have taken from the CPSU friendship among peoples, humanity, and respect for the worker. These values have 1,000 years of history and they will never lose their importance.

[Venediktov] I know that there have been long and difficult discussions among your entourage on the question of your nomination as a presidential candidate and I mean your nomination precisely. But by your entourage, if you excuse, I mean not the central committee of the Communist Party, but your family. I even know that your wife was originally against this. But why? Why now and why you precisely?

[Zyuganov] You know we discussed this with everyone and naturally with the family ...

[Venediktov, interrupting] I mean the family...

[Zyuganov, interrupting] The family can't be indifferent. When Savitskaya; twice a hero and a cosmonaut, a gifted and a charming woman and a great teacher, came to see me at the beginning of January, she told me that academics from Moscow State University, the Academy of Science, and a number of labor collectives in Moscow and Moscow Region had nominated me as their presidential candidate. Since this was not a gift or a trip to Sochi, but the greatest responsibility, I told her directly that we should convene everyone to find out their view of this, including those who had been named as candidates: Viktor Ilyukhin, Aman Tuleyev, Petr Romanov, and Nikolay Ryzhkov. We discussed this for a

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long time. Only after 95 percent of our council's members expressed their support for my candidacy, did I suggest that we should go into the elections as a bloc since we would not be able to do this on our own. So, we set up a bloc, a platform, and a program. We are now actively preparing for the elections. As for the family, the family announced a long time ago that there should be one politician in the house. They support me and they also understand what a burden this is, especially as they could hear all these lies from the loudspeakers every day. These lies do not have anything in common with either my biography or my political stance.

[Venediktov] Vadim.

[Granin] Since you have mentioned Savitskaya's name, I won't hesitate to put a question I was asked to put to you. Can you tell me why all the cosmonauts support you, whereas all the pop stars support Yeltsin?

[Zyuganov, laughing] That is not true.

[Venediktov] What do you think of this?

[Zyuganov] Not all the cosmonauts are supporting me. But on the other hand they have flown up there, they have been near to God, and probably known spirituality and emotional depth. The planet looks so small and defenseless from space. They are helping those who are protecting the planet and their own people from all kinds of disasters.

[Venediktov] Gennadiy Andreyevich, I understand that there is no time to read now. There are so many documents and so many programs. However, if we take literature, what books do you have lying around unfinished at home? I understand that you don't have time, but still do your have any unfinished books?

[Zyuganov] Let me be honest with you. Over the past six months I have been reading only the current journals, the interesting articles, that I came across. But I don't and I can't have time to read books. Since, I regularly work on the keynote documents myself: the platform, the economic strategy, social support and protection of the military, those who wear military uniforms. We are now working on the documents relating to a foreign political doctrine. I have been carrying a huge number of documents to study, which are being supplied by various departments. Apart from this I have to follow publications in the foreign press and maintain regular contacts with the state and political figures. This requires a lot of preparatory work. I had a one-day trip to Germany recently. In one day, I conducted nine meetings with all the leading political forces, banking and industrial circles and returned home. I had to prepare everything in the plane and at night.

[Venediktov] Gennadiy Zyuganov. Vadim.

[Granin] Gennadiy Andreyevich, who is your favorite writer? We understand you don't have time to read, but still.

[Zyuganov] There is a great number of writers. I like classical writers, I like patriotic literature and Lermontov's poetry. Two days ago I visited the site of his duel in Pyatigorsk. Veteshin, the author of many wonderful monuments in Russia, has built a monument to celebrate Russia's 1,000 anniversary in (?Novgorod), a monument to Catherine the Great in Leningrad, [pauses] in St. Petersburg; to Bogdan Khmelnitskiy in Kiev; and has built a charming obelisk in Pyatigorsk. I like the Russian village poets. I have great respect for Valentin Rasputin and a number of others. I have read [Yuriy] Bondarev's wonderful books about wartime. I find his philosophy interesting. I like fairy tales and science fiction. When I were younger, I have read all the main science fiction writers. I enjoyed reading Ivan Yefremov.

[Venediktov] It is 1653, two weeks to go before the first round of elections, I would like to ask you the question which I tend to ask all the presidential candidates here. I understand, that ratings or no ratings, you may have your own criterion of success for the first round. We are not talking about your team or any [?institute of sociology]. You are running for president for the first time. Let us take a look: out of the 11 presidential candidates, three have already run for president once: Yeltsin, Tuleyev, and Zhirinovskiy. What is your target Gennadiy Andreyevich?

[Zyuganov] Aleksey, you are experienced and you have an excellent knowledge of the political process. We are continuing negotiations with all the political forces. We have left the door open for talks. So far, nothing has come out of the third force. Out of the five people there; I mean Fedorov, Lebed, and Govorukhin, Glaziyev and Yavlinskiy; three of them are presidential candidates and four candidates for the prime minister. If, let us say, a large number of them join us — we might win the first round of [?the elections].

[Venediktov] This may take place before the first round. What about Gorbachev? I have caught you out here, have I not?

[Zyuganov, laughs] We would not like this. He will not suit us for one simple reason. You see, there are those who make mistakes and those who have no knowledge. That one does not recognize his mistakes and has betrayed everyone: friends, relatives, and allies. During my visit to Stavropol, I was shocked to find out that not

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a single person went to see him off at the airport after his visit. Can you imagine?

[Venediktov] This is very sad. This is sad for a politician, can you imagine...

[Zyuganov, interrupting] It is particularly sad, from a personal point of view, for someone who actually comes from that area. A politician in that person can probably survive the fact that no one in his homeland wants to meet him or even see him off.

[Venediktov] I am talking to Gennadiy Andreyevich Zyuganov. Gennadiy Andreyevich, there was a funny newspaper article today, I think. In fact, it will be published in the 3 June issue of the INTERFAX newspaper, ARGUMENTY I FAKTY. It is really very funny. Zhirinovskiy, Zyuganov, and Yeltsin are offering Lebed the post of the defense minister.

[Zyuganov] [?He is an amateur]. He is a professional military man who knows his job, but being a professional politician is somewhat different. The problem of our times and of disturbances could be explained by a couple of things. The sanctity of power has been undermined. Do you understand?

[Venediktov] Isn't that good?

[Zyuganov] No, this is bad. Someone, who has never led a team, imagines now that he could become prime minister. Or a person, who has never been involved in national politics, is trying to address issues of national interest, ending up in waging war. This, [word indistinct] is a tragedy. They have given weapons to almost everybody. No matter where you go now — you could see people, wearing bulletproof vests and armed with guns. This is absurd and outrageous. At the same time, they talk about sacred property and have taken away all the savings: 1,000 rubles for the funeral, 3,000 for a weekend cottage, and 5,000 for a car. They continue saying that property is sacred. This is outrageous.

[Venediktov] Gennadiy Andreyevich, you have raised a very important issue and I hope we will talk about the sanctity of power some other time. Still could you tell me whether you are an optimist or a pragmatist now?

[Unidentified male voice] All 11 of you are pragmatists.

[Venediktov] Are you an optimist, a pessimist or a pragmatist with regard to the 16 June presidential elections. I repeat this will be the first round.

[Zyuganov] A pessimist is a well-informed optimist. I am sufficiently well-informed, but personally I have never been a pessimist. When my coach used to let me out into the field to play as part of the team, these were games we lost most of the time. But I floundered to the last. Because we also used to win quite often. Therefore, within the law we will be fighting with a sense of confidence and faith in Russia, our homeland and our people.

[Venediktov] I can now understand what you have in common with President Yeltsin. You are both volleyball players.

[Zyuganov] No, he is playing with a small ball, while mine is larger, firmer, and more reliable. I am 13 years younger. That is also essential in sport.

[Venediktov] This was Gennadiy Zyuganov.

Russia: Zyuganov Says Yeltsin Election Program Two Months Late

LD3105154696 Moscow INTERFAX in English 1529 GMT 31 May 96

[FBIS Transcribed Text] MOSCOW, May 31 (Interfax) — The election program of Russian President Boris Yeltsin is at least two months late, Communist Party leader Gennadiy Zyuganov answered an Interfax question during his visit to a Moscow mosque Friday.

If Yeltsin publishes this document two weeks before the elections, "it means that he hopes that no one will read it attentively," Zyuganov said. The Russians have no time to examine Yeltsin's program and will have to vote for a "pig in a poke rather than a real program," he said.

Yeltsin had better report his performance on his previous pledges first, Zyuganov said. "I have never heard him do so," he noted.

Asked whether the Communists will call for civil disobedience if defeated at the elections, Zyuganov said first that "mandatorily honest" elections should be held.

The current leadership has "deceived its people more than once recently," Zyuganov said. "The current authorities disbanded by force the legitimate body of Soviet power and wrote up 9 million votes at the referendum on the constitution," he said. "This is not my information, this comes from the CIA.

"No sensible explanations to this effect have followed so far," he said.

Zyuganov said he had proposed all the other presidential contenders demand copies of the count protocols at all ballot stations. "This would be honest, democratic and open," he said.

This initiative aroused interests in everyone, except for the "party of power" which "has started to manipulate public opinion again," Zyuganov said.

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Russia: 'Red Belt' Rural Areas Favor Zyuganov Over Yeltsin

MK0106085096 Moscow MOSKOVSKIY KOMSOMOLETS in Russian 31 May 96 p 2

[Report by Anatoliy Boykov: "Cities Are Pro-Yeltsin and Villages Are Pro-Zyuganov"]

[FBIS Translated Text] Some noteworthy data about the mood of the voters in the "Red belt" were revealed at a seminar of Russia's human-rights organizations. According to the human-rights activists the situation is as follows: Kursk Oblast will support the Communists; Ivanovo Oblast is swayed by Zhirinovksiy; in Serpukhov, the Communists have a slight edge, and in Vladimir Boris Yeltsin has a lead.

Lipetsk could become a model of election struggle. There are several metallurgic plants and defense-related industrial enterprises in this relatively old industrial city. The local authorities have always been ill-disposed toward reform. Today Lipetsk Oblast has ended up almost completely in the hands of "Red directors." The names of Lenin and Engels have been returned to its squares and streets. Centralized agitation is conducted right at the voters' workplaces. When signatures were being raised to register presidential candidates, those in support of Zyuganov were collected on pain of dismissal. Today the threat of dismissal is wielded over those who refuse to vote for Zyuganov. There are no local party committees yet, but it is already being said quite openly: "We will find out who voted for whom anyway."

Chances are that, despite all odds, Yeltsin will carry Lipetsk itself while in the countryside the chairmen [of collective farms], facing no resistance from any quarters, will be doing their utmost to ensure Zyuganov's victory. The situation in other regions of the "Red belt is similar." The Communists are losing urban areas but are keeping control of the countryside.

Russia: Zyuganov: Communists Continuing Talks With 'Third Force'

LD0106145296 Moscow INFORMATSIONNOYE AGENTSTVO EKHO MOSKVY in Russian 1418 GMT 1 Jun 96

[FBIS Translated Text] Gennadiy Zyuganov, candidate for the presidency of the Russian Federation, has told Ekho Moskvy radio station on air that the communists are continuing talks with the "third force."

"If victorious in the presidential election, the communists are ready to offer Grigoriy Yavlinskiy, Svyatoslav Fedorov, and Aleksandr Lebed posts in a coalition government," Zyuganov said.

In his opinion, if a considerable part of the members of the "third force" join the communists before the start of the election, "the first round will be won outright." "We have left the door open to all political forces," the leader of the Communist Party of the Russian Federation said.

Zyuganov said that he was not holding any talks with Russian Federation presidential candidate Mikhail Gorbachev.

Russia: Zyuganov Ignores Satarov's Communist Party Plot Allegations

LD3105204696 Moscow NTV in Russian 1500 GMT 31 May 96

[From the "Segodnya" newscast]

[FBIS Translated Excerpt] The Communist Party of the Russian Federation, led by Gennadiy Zyuganov, does not rule out the possibility of suing presidential aide Georgiy Satarov. Valentin Kuptsov, secretary of the Communist Party Central Committee, told journalists this today. Kuptsov categorically denied Satarov's allegations that the communists have a scenario for an illegitimate seizure of power if Boris Yeltsin wins the elections. Such statements by the presidential aide are provocative lies, aimed at discrediting the Communist Party and its leader Gennadiy Zyuganov, on the eve of the elections, Kuptsov emphasized in an interview to INTERFAX today. [passage omitted]

Communist leader Gennadiy Zyuganov, who has just returned to Moscow after an election campaign tour of southern Russia, has evidently not quite caught up on things yet, but at any rate, he had this comment to make on the situation.

[Begin Zyuganov recording] What I am in favor of is that citizens should no longer be deceived. I have suggested something quite simple: At all polling stations, let us give representatives of all 11 presidential candidates a copy of the protocol of the vote count. That will be honest, democratic and public, and nobody will suspect anybody. Let us first of all decide the question that the elections should take place and they absolutely must be honest. Everybody has an interest in that. As for the citizens, if they vote, they have the right to insist that their will is taken account of and carried out. [end recording]

Russia: Liberal Economist Criticizes Zyuganov's Election Program

MK0106122196 Moscow KOMMERSANT-DAILY in Russian 31 May 96 p 2

[Report by Boris Boyko: "A State That Threatens To Crush the Economy"]

[FBIS Translated Text] "There is a huge number of factual mistakes and plain untruths in the Communist

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Party's election program." This statement was made by Andrey Illarionov, director of the Economic Analysis Institute, at a press conference yesterday. The first analysis of all contradictions and harmful trends in Zyuganov's economic program, made by a professional liberal economist, proved remarkably impressive. The vague suspicions by the mass Russian voter that the ideas contained in the Communist program instead of improving — as Communist Party supporters think — can only aggravate the country's economic condition, were substantiated by Illarionov from the point of view of economic theory.

"That Zyuganov's program has been chosen for analysis does not mean that I either like or dislike him," Andrey Illarionov said, indicating that his criticism of the Communist Party program is not of an opportunistic but of a purely professional nature. He added: "All election programs constitute a collection of our social mythology. Zyuganov's program, however, collects all myths, and elaborates on them. So it is easy to work with it." One myth that Illarionov found in the Zyuganov program is the legitimacy of comparing Russian reality with the Great Depression of the 1930's in the United States. These two processes are incomparable. What happened in the United States was a cyclic crisis of capitalist economy. Our crisis, according to Illarionov, is a crisis of transition from one economic system to another, when industrial decline results from refusal to continue inefficient production of unwanted goods. It is more correct to compare the current situation with the 1917-1922 crisis, also related to a transition to another system. At the time, during five years output in, say, the machine-building sector fell by hundreds of times.

Another myth is the contention that the shortage of money supply in the economy is the consequence of a tough financial policy and that money printing is necessary to oust the dollar. In fact, Illarionov stresses, in the first quarter the money supply has been growing at a rate of 6 percent a month, overtaking inflation. "As for the recipes offered in the program, they are mind-boggling," Illarionov summed up. "It is proposed to oust the dollar by printing rubles, but precisely this will lead to the dollarization of the economy."

Such contradictions and inaccuracies, the director of the Economic Analysis Institute believes, permeate the program. For instance, it says that output of automobiles in the past five years has fallen by a factor of five. In fact, however, the decline was only 32 percent, while in 1995, compared to 1994, car production actually rose by 5 percent. The program contends that in 1993 subsidies to CIS states constituted about 12 percent of Russia's GDP. In fact, however, the highest volume — 8 percent of GDP — was recorded in 1992, whereas in 1993 it stood at only 3 percent. At present no subsides at all are being provided. There is a curious contradiction in the program on this count. After criticizing the subsidy policy it talks about the need to reunite the CIS countries on a voluntary basis. This, according to Illarionov, is possible only if Russia again starts to subsidize the countries that agree to form a new union with it, patterned on the USSR. Basically, the ruble zone collapsed in 1993 precisely after subsidizing had stopped.

Another issue is the exportation of raw materials. The program says that Russia has turned into the West's raw materials appendage. "Science does not know the meaning of 'raw materials appendage,'" Illarionov joked. Yet if this refers to the increase in the share of raw materials in the general export volume, figures say that in Soviet times, i.e., under the Communists, Russia looked more like a "raw materials appendage" than now. In 1991 the share of oil and gas in the country's exports was 52 percent. In 1995 it fell to 41 percent. In real terms (factoring in GDP shrinkage), compared to 1991, the raw-material exports have halved. This led Illarionov to conclude: "The slogan about the sellout of the national wealth is inconsistent."

The Communists' proposal to reduce prices for energy resources was subjected to no less harsh criticism. Should prices be cut exports will have to be expanded again to compensate for budget revenue losses. Furthermore, low domestic prices will even more contribute to the squandering of Russia's natural resources. In other words (and it is difficult to disagree with this), "in its second part, the program successfully implements everything that it criticizes in the first."

Yet another inaccuracy in the program — which, in Illarionov's expression, is "a hymn to the state" — is the assertion that the extent of state participation in the economy has fallen to 15 percent while in the developed countries it can reach up to 40 percent. "It is not clear what is meant," Illarionov said, "but if state participation is regarded as the redistribution of financial flows through the budget, these figures are also incorrect." If the budgets of all levels are taken into account, as is done in the developed countries, also including commodity credits and tax breaks, then state expenditures in Russia constitute about 50 percent of all expenditures in the economy. If the scope of the inefficient redistribution of finances through the state budget is increased, then, the economist warns, "the state will crush our economy."

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CIS: Yeltsin Describes Integration as Path to Economic Well-Being

LD0306104196 Moscow INTERFAX in English 1022 GMT 3 Jun 96

[FBIS Transcribed Text] KISLOVODSK, June 3 (INTERFAX) — Integration and cooperation are the only path toward economic well-being in the Commonwealth of Independent States, Russian President Boris Yeltsin said Monday.

The integration process in the CIS "has begun gaining force, but you cannot approach integration just like that," Yeltsin said at a meeting of leaders of South Caucasus republics, and Russian republics and regions in the North Caucasus.

"Integration today is going at different rates, and there is nothing wrong with that," he said. "The main thing here is goodwill."

Integration can take place not just at different levels, but in different areas, he said. "Some people are ready for integration in some spheres, other people in others," he said.

"The main thing is that Russia, and the South Caucasus governments, and other CIS partners, have all the grounds and possibilities for working together, taking into account our mutual interests," he said.

CIS: Foreign Relations Chiefs of CIS Defense Ministries Confer

MK0106122696 Moscow NEZAVISIMAYA GAZETA in Russian 1 Jun 96 p 2

[Report by Igor Korotchenko under the "News" rubric: "Meeting of CIS Servicemen"]

[FBIS Translated Text] Senior personnel of the CIS Defense Ministries' foreign relations departments have held a conference at the headquarters for the coordination of CIS military cooperation under Colonel General Leonid Mayorov. Participants in the conference were addressed by representatives of the Russian Foreign Ministry, the Moscow Carnegie Center, and also the General Staff's Main Intelligence Directorate [GRU]. In the view of Colonel Andrey Marshankin, chief of the foreign relations section of the CIS headquarters for the coordination of military cooperation, the discussion of problems pertaining to the operation of the CIS defense ministries' foreign relations agencies made it possible to agree on concerted stances on a whole range of issues.

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Russia: Yeltsin Arrives for Big Caucasus Meeting

LD0306074096 Moscow INTERFAX in English 0701 GMT 3 Jun 96

[FBIS Transcribed Text] MINERALNIYE VODY (STAVROPOL TERRITORY), June 3 (Interfax) — Russian President Boris Yeltsin arrived here Monday morning on his way to a meeting with the presidents of Azerbaijan, Armenia, and Georgia scheduled for approximately 1130 in Kislovodsk.

Yeltsin, Azerbaijani President Geydar Aliyev, Armenian President Levon Ter-Petrosyan and Georgian President Eduard Shevardnadze will then meet with the heads of the Krasnodar, Stavropol, and Rostov regional administrations for the signing ceremony of a declaration for peace and cooperation in the Caucasus at 1245.

The document calls for maximum efforts to solve the strife still brewing in the region, Interfax has learned.

This can be achieved only through respect for countries' territorial integrity, the inviolability of their borders, and the basic rights and freedoms of men, including minorities, the document states.

The document condemns aggressive separatism, ethnic hatred, religious extremism, and terrorism in all its forms.

The leaders promise to unite in rooting out terrorism.

The document also states the intention to create a shared economic space.

The meeting is "unique both in its participants, and in the nature of the issues discussed," Yeltsin's Press Secretary Sergey Medvedev told Interfax.

The presence of Russian Federation subjects indicates "their participation in Russia's foreign policy."

"The Big Caucasus Meeting will enter Russian practice in its relations with subjects and Transcaucasus countries," a member of the Russian delegation said.

Russia: Yeltsin Explains 5 Principles of Russia's Caucasus Policy

LD0306094996 Moscow INTERFAX in English 0941 GMT 3 Jun 96

[FBIS Transcribed Text] KISLOVODSK, June 3 (Interfax) — Russian President Boris Yeltsin made public five principles of Russia's "Caucasian policy" at a meeting of South Caucasus leaders and heads of Russian North Caucasian republics and regions in Kislovodsk Monday.

Russia proceeds from the fact "the Caucasus is a unique community of peoples," said Yeltsin. Therefore, attempts to "dismember the single Caucasian organism and split Caucasian peoples and countries, the whole of the Caucasus and Russia, will inevitably result in great troubles for all," he said.

Russia needs "stability, security and cooperation in the whole Black Sea - Caspian region. Without this, the normal development of Russia, Azerbaijan, Armenia and Georgia is impossible," said the president.

He urged "a joint solid control over the Caucasian situation. All the conflicts and their consequences must be terminated as soon as possible."

This task can be achieved only through consolidated federalism, said Boris Yeltsin. "The development of federal fundamentals will enable us to consolidate the security and integrity of Caucasian states and ensure the right of peoples to decide on their future."

The president reaffirmed Russia's intention "to carry on its peace-making functions and actively help normalization throughout the South Caucasus." He noted with satisfaction the determination of the Azerbaijani and Armenian presidents to abide by the cease-fire agreement until a comprehensive political agreement on Nagorno-Karabakh is signed.

Another principle is recognition of and respect for the independence and state sovereignty of Azerbaijan, Armenia and Georgia, said Boris Yeltsin.

He voiced Russian adherence to the development and consolidation of cooperation and integration in the Caucasian region.

The fifth principle is the recognition of the Caucasian region "as an important element in the consolidation of the European security system and, thus, consolidation of the OSCE [Organization for Security and Cooperation in Europe]. Russia stands in favor of the Caucasus being open to the world and organically integrated with the international community," Yeltsin said.

Russia: Yeltsin Urges Joint Solution to Caucasus Refugee Problems

LD0306101796 Moscow INTERFAX in English 1003 GMT 3 Jun 96

[FBIS Transcribed Text] KISLOVODSK, June 3 (Interfax) — Russian President Boris Yeltsin called for a joint solution of the problem of refugees and forced migrants at a meeting of South Caucasus regional leaders and heads of Russian North Caucasian republics and regions in Kislovodsk today.

"Not a single country or a people in the Caucasus seems to have escaped this trouble. There are many people of Russian origin amongst the refugees," said the president.

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"We remember and care for our compatriots living in the South Caucasus. We do not forget about the South Caucasian diaspora in Russia. Both should enjoy equal rights and opportunities," he stressed.

Human and political duty requires one to ensure the return of refugees to their homes, said the president. This can be achieved through normalization in the Caucasus and creation of worthy political, economic, social and legal conditions. "No matter how hard this problem may be, it must be settled," said Yeltsin.

Other tasks which require joint efforts are measures against organized crime, terrorism and drug trafficking, said the Russian president.

Russia: Yeltsin: All Caucasus Will Benefit From Chechen Cease-Fire

LD0306104096 Moscow INTERFAX in English 1020 GMT 3 Jun 96

[FBIS Transcribed Text] KISLOVODSK, June 3 (Interfax) — Russian President Boris Yeltsin has expressed confidence that all of the Caucasian states will benefit from the settlement of the crisis in Chechnya.

The peaceful settlement of the problem has reached a turning point, he said in an address to the leaders of the South Caucasus states and of the North Caucasian republics and regions of the Russian Federation in Kislovodsk. He also expressed the conviction that the cease-fire agreement reached between the federal authorities and the leaders of the armed opposition on May 27 "opened up the way towards the complete settlement of the conflict."

"We shall strictly observe the agreement signed in Moscow," said Yeltsin.

He said that his plan for the peaceful settlement of the Chechen conflict, announced two months ago, "is being implemented."

He thanked the leaders of the South Caucasus states for "support and understanding on this question."

Yeltsin said that the draft agreement on power-sharing between the federal authorities and Chechnya "rests on the basic constitutional principles: equality, voluntary choice and the peoples' freedom to express their will."

The draft agreement ensures Russia's territorial integrity and the unity of its economic system, and defends the rights and freedoms of citizens throughout Russia, said Yeltsin.

The draft agreement tackles Chechnya's special status "by defining the powers of the Russian Federation and the Chechen Republic, and by delimiting their rights and responsibilities on the basic issues of normalizing life in Chechnya," said Yeltsin.

Russia: Presidents Sign Caucasus Peace Declaration in Kislovodsk

LD0306095396 Moscow INTERFAX in English 0935 GMT 3 Jun 96

[FBIS Transcribed Text] KISLOVODSK, June 3 (Interfax) — Russia, Armenia, Azerbaijan, and Georgia will do everything possible to end the fighting in the Caucasus, according to a declaration signed by the countries' presidents at 1:00 p.m. Moscow time Monday.

The heads of the Northern Caucasus republics and the Krasnodar, Stavropol, and Rostov regions also took part in the ceremony of the signing of the declaration, entitled "For international accord, peace, and economic and cultural cooperation in the Caucasus."

The best way to end the strife in the region is to keep to several basic principles, those being countries' territorial integrity, the inviolability of their borders, and respect for the basic rights and freedoms of men, including minorities.

The declaration condemns aggressive separatism, ethnic hatred, religious extremism, and terrorism, which the leaders are ready to root out "in all its forms."

The document also declares the readiness of Caucasus countries to create a shared economic space.

Russia: Yeltsin Congratulates New Israeli Premier

LD0106114196 Moscow INTERFAX in English 1130 GMT 1 Jun 96

[FBIS Transcribed Text] MOSCOW, June 1 (Interfax) — Moscow closely followed the elections in Israel in which the head of the government was elected directly by the entire nation for the first time, a Russian Foreign Ministry spokesman told Interfax Saturday.

According to him, President Boris Yeltsin sent a message of greeting to the new prime minister Binyamin Netanyahu.

"We assume that after a new government comes to power in Israel, the expansion of mutually beneficial Russian-Israeli relations in different spheres in the interests of our two nations will continue," he said.

As a co-sponsor of the Mideastern settlement Russia intends to continue promoting the reconciliation of the Arabs and Israel and the further advancement of the peace process along the lines foundations agreed upon at the Madrid conference.

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The spokesman said Moscow hopes for cooperation with the new Israeli leadership in the context of peacemaking efforts in the region, search for constructive solutions to Mideastern problems.

Russia: Moscow Hopes Netanyahu Will Continue Peace Process

LD3105195896 Moscow INTERFAX in English 1555 GMT 31 May 96

[FBIS Transcribed Text] MOSCOW, May 31 (Interfax) — Russia hopes that the peace process in the Middle East will not let up steam following the election victory of Binyamin Netanyahu, leader of the Likud opposition party in Israel, a high-ranking Russian diplomat told Interfax tonight.

According to early election returns, Netanyahu gained a slight advantage over present Israeli Prime Minister Shim'on Peres and is expected to form a new Cabinet in the near future.

"The defeat of Peres in the elections does not mean a failure of his policy aimed at a peace settlement of the Arab-Israeli conflict, among the initiators of which, felled by a fanatic's bullet, stood Itzhak Rabin," the Russian diplomat said.

During the election campaign, Netanyahu did not deny the need to conduct dialogue with the Arabs, the Russian diplomat said.

"Moscow proceeds from the belief that there is no reasonable alternative to the peace process in the Middle East," the same source said.

"Russia, as a co-sponsor of the Middle East peace process, intends to continue to play an active part in and comprehensively contribute to the normalization of relations between Israel and Arab countries," the diplomat said. Russia is "ready for comprehensive cooperation with the new Israeli government," the diplomat said.

He also voiced the hope that fruitful cooperation between Russia and Israel would continue. "A large positive potential has been accumulated" in bilateral relations during recent years, the Russian diplomat said.

Russia: Yeltsin Statement on Removal of Nuclear Arms From Ukraine

LD0106233296 Moscow ITAR-TASS World Service in Russian 2218 GMT 1 Jun 96

[FBIS Translated Text] Moscow, 2 Jun — Russian President Boris Yeltsin has made a statement in connection with the withdrawal of nuclear weapons from Ukraine, where they were deployed after the breakup of the USSR. The full text of his statement has been passed on to ITAR-TASS by the presidential press service. It reads:

"Today, on 2 June 1996, the withdrawal of nuclear warheads from the Ukraine, where they were deployed after the breakup of the USSR, was completed.

"This was possible owing to close cooperation between Russia and the Ukraine. In spite of the fact that at times difficult political, economic, and technical problems had to be tackled, common sense and the sides' adherence to international obligations have always taken the upper hand. Thus, the corresponding provisions of the Lisbon protocol are being implemented along with Ukraine's choice to be a nuclear-free state.

"I would like to express my sincere gratitude to diplomats, Russian servicemen, experts and employees of various ministries and departments taking part in carrying out this unprecedented operation in its complexity and scale. Full safety of nuclear weapons was ensured at all stages, starting with removing them from delivery platforms during transportation and ending up with breaking them down at enterprises of Russia's Atomic Energy Ministry.

"Cooperation with the United States of America within trilateral agreements between the Russian, U.S., and Ukrainian presidents on 14 January 1994 has played a positive role.

"Russia is ready to deepen its interaction with Ukraine in issues of security and the strengthening of peace for the sake of fraternal peoples of the two countries."

Russia: Yeltsin Aide: Moscow Insists on Basing Fleet in Sevastopol

LD3105194896 Moscow INTERFAX in English 1602 GMT 31 May 96

[FBIS Transcribed Text] ST.PETERSBURG, May 31 (Interfax) — The future of the Russian Caucasus and the development of Balkan and Middle East politics will depend on how the former Soviet Black Sea Fleet is divided, Head of Presidential Administration Nikolay Yegorov told regional leaders in Novgorod Friday.

Russia will insist on basing its Black Sea Fleet in Sevastopol, he said.

"Chechnya has been and will be within Russia," Yegorov said commenting on the North Caucasus issue. "Those who were killed in military operations in Chechnya were fighting for Russia and saved the country from a disastrous situation Dudayev could create," he said.

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"A growth by 2 percent in Russia's industrial output was registered in April for the first time in five years of reforms,"

Yegorov said, touching on economic problems.

"If nothing extraordinary happens, this year will be that of surmounting the crisis," Yegorov said. "This means the Russian leadership's policy is productive."

Russia: Primakov Discusses NATO Expansion

LD0206184496 Moscow Russian Television Network in Russian 1600 GMT 2 Jun 96

[Interview with Russian Foreign Minister Yevgeniy Primakov by Nikolay Svanidze; place and date not given — recorded; from the "Zerkalo" program]

[FBIS Translated Text] [Svanidze] Foreign Minister Yevgeniy Primakov will describe the foreign policy section of Boris Yeltsin's program.

[Primakov] I want the many people watching our broadcast now, our viewers, to understand our position correctly. After all, our position does not consist of us placing a veto on the Eastern and Central European countries joining NATO. We can not do it in the new conditions and we will not do it.

[Svanidze] Surely no one will allow us to do so.

[Primakov] Nor are we going to do it, anyway. We know the limits of what we can do, this is in the first place. Second, we now play according to altogether different rules.

However, at the same time, who, as it were, can forbid us to think of our own interests in these conditions? Or should we take it all lying down?

[Svanidze] Yevgeniy Maksimovich, how are we going to think of our interests? We can not veto it, so how are we going to defend our own interests?

[Primakov] Well, in the first place, in the first place I think that we could now reach a compromise on some things. The failure of the West to respond to our feelers on this surprises me very much.

One thing is unacceptable to us — and it is, indeed, unacceptable — the drawing closer of NATO's infrastructure, its military infrastructure to our territory. Everything else may be subject to compromise.

Well, for instance, and that is putting it crudely, but one aspect here is, well, do regard it as a bit of ad-libbing on my part: NATO gives guarantees to Central and Eastern European countries without them joining NATO's military organization.

I think this could be a basis for talks. Moreover, if they do not want counter-guarantees, if they do not want us to give our guarantees, well, fine, we will not do so, let NATO do it.

Our missiles are not now targeted onto anyone and even President Clinton regards this as one of the highest achievements of his recent policies, as it were.

However, I do not think that anyone would applaud us if we increased the stocks of our missiles, not targeted onto anyone. Why is it that an altogether different logic to that of NATO's is expected of us?

[Svanidze] Or if we sited our missiles in Cuba, let us say.

[Primakov] Or if we sited our missiles in Cuba, something we will not be doing. Well, no-one has uttered such a clear no to us with regard to NATO as has been the case with Cuba, as I have just said.

Perhaps it is now the case that the U.S. Administration is now constrained by electoral considerations, I do not know.

[Svanidze] But the same goes for us.

[Primakov] To a lesser extent with us, because we are ready to go for solutions right now. So, this is just one aspect of the case.

However, if expansion does go ahead without any search for or arrival at a formula which we find acceptable, we will then have to react and to make some changes to the force development process and with regard to the treaties which have already been signed and I want to say this openly.

Russia: Report Sums Up Primakov's Visit to Belgrade

MK0106140696 Moscow KOMMERSANT-DAILY in Russian 1 Jun 96 p 4

[Report by Valeriya Sycheva: "Balkans Preference"]

[FBIS Translated Excerpt] Belgrade's Surcin Airport greeted the head of the Russian Foreign Ministry, Yevgeniy Primakov, with a welcome bracing coolness after Rome's 30-degree heat, tricolor flags fluttering in the wind, and a crowd of journalists. Belgrade awaited Moscow's plenipotentiary, who was paying his first official visit after a long hiatus, with special impatience and hope. To all appearances, it was not disappointed — it formalized in a document a diplomatic partnership (a protocol was signed on cooperation between the Russian Federation Foreign Ministry and the Foreign Ministry of the Federal Republic of Yugoslavia) and once again enlisted Russian support in the settlement of the Bosnian

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crisis. Valeriya Sycheva reports from Belgrade. [passage omitted].

It is unnecessary to speak about the Balkans' geopolitical importance — any history textbook describes the great-power struggle for spheres of influence in the region. In this sense, Russia's support of Yugoslavia in such difficult times as these has special importance. It is premature to speak of the economic dividends of Russian-Yugoslav cooperation (a report for the press by Milosevic's office speaks of "mutual interest" in developing it [cooperation]. But strategically it is extremely important to gain a foothold in the Yugoslav market, it is thought among the Russian Foreign Ministry leadership. However, the interdepartmental commission set up more than four months ago on Russia's participation in the postwar rebuilding of Yugoslavia (headed by Oleg Davydov) remains on paper despite all the Foreign Ministry's efforts. Deputy Foreign Minister Nikolay Afanasyevskiy pointed out to your KOMMERSANT-DAILY correspondent yet another unpleasant circumstance: Federation components which until recently were besieging the Foreign Ministry with demands to do everything possible to lift sanctions from their Serb brothers have for some reason fallen silent and are in no hurry with their aid. Nor do they react to the Foreign Ministry's reproofs.

Russia: Russia Abstained During Vote on UN Mandate in FYROM

LD3105135696 Moscow ITAR-TASS in English 1336 GMT 31 May 96

[By Aleksey Berezhkov]

[FBIS Transcribed Text] NEW YORK, May 31 (Itar-Tass) — Russia has abstained when the problem of prolonging the mandate of the U.N. Preventive Deployment Force in Macedonia (UNPREDEP) was put to a vote in the U.N. Security Council.

Explaining Russia's stand, Russian Permanent Delegate on the United Nations Sergey Lavrov noted that during the past three and a half years the UNPREDEP had played an important role in the effort to prevent the crisis from spreading to Macedonia [Former Yugoslav Republic of Macedonia — FYROM] and to stabilise the situation in that country. It has proved the viability of the preventing diplomacy concept. "We pay tribute to the UNPREDEP personnel, which includes also Russian representatives," Lavrov told the Security Council on Thursday. "At the same time, the current situation in former Yugoslavia differs radically from that of 1992 and even from the situation that existed there a year ago."

The Russian diplomat recalled that an end was put to the bloody conflict in Bosnia, where peace accords are now being implemented, and the U.N. operation in Eastern Slavonia has reached the decisive stage. The April 8 Agreement on the Promotion of Cooperation between the Republic of Macedonia and the United Republic of Yugoslavia has become an important stabilising factor, and progress was achieved in the effort to improve the relations between Macedonia and Greece.

"In light of these positive changes," Lavrov noted, "it is now necessary to bring the parameters of the Macedonian operation abreast with the new realities. It would be strange, to say the least, if the UNPREDEP was left as it was during the hostilities in former Yugoslavia. Therefore, we deem it warranted and right to raise already now the question of cutting the number of troops involved in the operation. In our opinion, this is important both for perfecting the preventive diplomacy instrument, which should always be promptly adapted to the changing conditions, and for coping with the financial straits of the United Nations in view of the need for peace-making operations in other really 'hot' spots of the planet."

At the same time, Lavrov stressed, Russia is aware that the positive changes in the region are still not irreversible, and it is just as interested in promoting stability on the Balkans as the other sides concerned.

"We are not raising the question of curtailing the operation or withdrawing the U.N. force, because we are aware of the persisting concern of the Macedonian leadership," he stated. "However, we deem it possible to prolong now the UNPREDEP mandate in its present form for another four months so that the Security Council could eventually revert to it again and adopt a decision, which would correspond to the actual situation in the region."

Russia: Spokesman: Moscow Content With Results of CFE Conference

LD3105191596 Moscow ITAR-TASS in English 1821 GMT 31 May 96

[By Aleksandr Kuzmin]

[FBIS Transcribed Text] VIENNA, May 31 (Itar-Tass) — Preliminary results of the Vienna conference on the Treaty on Conventional Forces in Europe (CFE) look good, according to the Russian delegation's leader Georgiy Mamedov.

The CFE treaty, which was signed in November of 1990 in Paris, foresees substantial arms cutbacks in Europe, with rigid inspection and follow-up control.

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Mamedov told a news conference today that the conference is to close today, but its participants may work extra days.

The major result of the conference is the accord between Russia and the U.S. on further moves to implement the CFE treaty with consideration for the two states' influence and amounts of arms.

Mamedov said the accord had been facilitated by the Moscow summit of the Russian and American presidents.

The accord is to remove the sensitive issue of flank restrictions on weapons deployed in some regions of Russia.

It is also to give a start to the updating of the CFE treaty for new military and political realities of Europe free from military blocs, Mamedov said.

The adaptation of the treaty is to begin immediately after the conference is over.

The first interim report on these problems will be presented to the Lisbon summit meeting of the Organisation for Security and Cooperation in Europe.

Russia: Defense Minister Flies to Lvov for PFP Exercises

LD0306091396 Moscow ITAR-TASS in English 0848 GMT 3 Jun 96

[By Anatoly Yurkin]

[FBIS Transcribed Text] MOSCOW, June 3 (Itar-Tass) — Russian Defence Minister Pavel Grachev flew to Lvov today to participate in the multinational "Peace Shield '96" exercises under NATO's Partnership for Peace Programme which begin at a range near Yavorov.

Peacekeeping operations will be drilled at the range, Itar-Tass learned from the Russian Defence Ministry today. Army units from ten countries, including the United States, Russia, Ukraine and a number of east European countries will participate in the exercises.

Grachev is expected to meet with Ukrainian Defence Minister Valeriy Shmarov and with U.S. Defence Secretary William Perry who arrived in Ukraine today.

Russia: Yeltsin, Clinton Honor Campaign Pact

MK3105141196 Moscow SEGODNYA in Russian 31 May 96 p 9

[Report by Vladimir Abarinov: "A One-Way Street. The Role of Leaks in Bilateral Relations"]

[FBIS Translated Text] Last week, at a regular State Department briefing, journalists would not let spokesman Nicholas Burns go, demanding that he comment on Yevgeniy Primakov's visit to Cuba and, particularly, on his utterances that Moscow and Havana will develop relations regardless of Washington's stance. Burns bent over backwards to avoid displaying any sign of disloyalty with regard to Russia. This is not the first time that the Americans have silently swallowed a bitter pill. During the latest summit in Moscow Bill Clinton made obvious concessions to Boris Yeltsin. Neither at their bilateral talks, nor at the nuclear safety summit, did he raise the question of the delivery of four Russian reactors to Iran and two to Cuba; he thought better of touching on such sensitive subjects as NATO expansion or Russian violations of the Treaty on Conventional Forces in Europe (OSCE); finally, he compared Yeltsin's Chechen war with the war waged by Lincoln for his country's unity.

Meanwhile, Russian officials, on the contrary, pulled no punches and seized every opportunity to display their anti-Americanism, in an apparent belief that this quality must be an indisputable asset of any patriotically minded politician. This anti-American rhetoric reached its climax during President Yeltsin's visit to China, where he plainly pointed his finger at the United States as the country that is trying "to dictate its terms to the world," while portraying himself and Jiang Zemin as the leaders who would not tolerate that. Furthermore, even more serious demarches have followed. According to Western sources, the Russian delegation effectively derailed the Vienna talks on the new export control regime; as a result the Wassernaar agreement, which had already been signed by the founding countries — including Russia — never went into force. Judging by the comments of the Russian Foreign Ministry — at the conference reviewing compliance with the CFE Treaty, which is due to end this week — the Russian side has switched from defense to attack: While the issue was initially the revision of flank quotas for Russia, now our experts point out the need for a completely new concept for the treaty. At the same time, our Foreign Ministry asserts that the Russian draft is being obstructed by certain two countries. The Americans respond to that fairly indifferently in that they are not obstructing anything, that the United States understands Russian difficulties, and that Assistant Secretary of State Lynn Davis and Deputy Foreign Minister Georgiy Mamedov continue working hard in this area, but this work is far from completion. Finally, things have gone so far that during his overseas tour Foreign Minister Primakov declared Latin America a region of Russian strategic interests. But Washington kept mum on that occasion, too. Furthermore, it was during just these days that Clinton backed Yeltsin's candidacy, after his meeting with Kohl, something he had avoided doing formerly. In addition, the United States energetically supported

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the release of IMF and World Bank loans to Russia, including the $500-million loan designed "to alleviate social consequences in the coal mining industry," that is, the one that has a clear electoral purpose.

It is not difficult to explain such an unconventional redistribution of roles. Suffice it to recall the scandalous leak of the content of the conversation between Yeltsin and Clinton that took place at the summit on terrorism held in Sharm ash-Shaykh (Egypt) in March. According to THE WASHINGTON TIMES, which obtained the secret paper, at issue was support for the Russian president in the upcoming election in exchange for continuing purchases of American poultry. It is well known that the White House did not deny the fact that the conversation took place, stating only that the publication gave "an inaccurate portrayal" of the meeting. In fact, according to the American side's theory, the presidents said that, with both countries facing an election year, they should try to resolve contentious issues in bilateral relations. Sergey Medvedev, spokesman for the Russian president, asserted as an eyewitness that the publication had "nothing to do" with the conversation that actually took place. In particular, he categorically dismissed the linkage to poultry, saying they were discussing support for Russian reform without any reciprocal gestures. The Russian Foreign Ministry, for its part, summoned Ambassador Pickering and drew his attention to the permissibility of such leaks. Washington conceded that only the American side was responsible for the leak, and said that it had no complaints to make about the newspaper, but that an investigation still had to be conducted. Yet right up to this day nothing has been heard about the results of the investigation, which was entrusted to the FBI.

According to our theory, the presidents simply agreed not to play up problems that cannot easily resolved so as not to complicate each other's election campaigns. The snag is, however, that Russia holds its election in June, and the United States, in November. Therefore, Moscow and Washington will reverse roles after 16 June. If such an agreement exists, it becomes clear why the leak occurred on the American side.

Admittedly, both the Kremlin and the White House find it difficult to keep the gentleman's agreement. In Moscow, it is interpreted as a carte blanche for indulging in anti-American rhetoric, whose examples we have already cited. Those in Washington take this serenely. Nicholas Burns, for instance, said reasonably in connection with Primakov's Cuban visit: "We should discuss this subject with the Russians so as to learn what they are going to do, because in such cases deeds are much more important than words." But the international political calendar forces Russia to get down to deeds, too. So, the Americans allow yet another leak to occur at the Vienna conference on export control. Another interesting thing is that the next round of the talks on the Wassernaar agreement is scheduled for late June. By that time the United States will no longer be bound by the pledge to keep silent.

As for Moscow, in our view, it should know better than to overplay its hand like that. The December parliamentary elections have already shown that foreign policy problems remain on the periphery of public attention, while electoral blocs that build their campaigns on anti-Western and imperial slogans tend to suffer defeat.

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Political Issues

Russia: Yeltsin Urges Social Democrats To Resist Revengeful Forces

LD0106135196 Moscow ITAR-TASS in English 1341 GMT 1 Jun 96

[FBIS Transcribed Text] MOSCOW, June 1 (Itar-Tass) — President Boris Yeltsin urged Russia's social democrats to resist revenge-seeking forces to allow Russia to continue to move along the path of reform.

In his address to the participants in the second congress of the Russian Party of Social Democracy that opened in Moscow on Saturday, Yeltsin stressed that the congress is being held at a critical time of Russia's development — the country has to make its choice whether to move along the path of reform or go back to the totalitarian past.

"Revenge-seeking forces, whose influence is dangerous to underestimate, must be opposed by the unity of all healthy forces of society fighting for the revival of the country," he said.

"Therefore resolution of social problems is of great importance. We have no right to forget those who cannot take care of themselves for various reasons, about those who are in need. Our goal is to make the economy effective, the state humane and society free," the address said.

"I am confident that this is the only way for Russia to reach prosperity and for each Russian family to live a descent and wealthy life," the president said.

Russia: Chernomyrdin Praises Gazprom in Address to Shareholders

LD3105125796 Moscow ITAR-TASS World Service in Russian 0945 GMT 31 May 96

[ITAR-TASS correspondent Igor Ivantsov]

[FBIS Translated Text] Moscow, 31 May (Itar-Tass) — Viktor Chernomyrdin, chairman of the Russian Government, stated results of the gas industry's work in 1995 have confirmed yet again that it is one of the most important industries in the Russian economy. He was addressing the annual meeting of shareholders of the Russian joint-stock company Gazprom which opened in Moscow today.

The document says that during a difficult economic transition, Gazprom continues to work steadily. It is the main supplier of natural gas at home and to foreign markets. The Gazprom collective tirelessly maintains a single system of gas supply in Russia on a high technological level.

The prime minister noted that Gazprom was on a constant lookout for new ways of using its potential. He mentioned that the collective started developing the Arctic shelf; working on a telecommunications system for the gas industry; introducing high technologies into production; and designing equipment which will run on ecologically pure natural gas.

The document says that despite difficulties experienced by Gazprom, its management does not give up its social support programs to gas workers and all those living in the vicinity of the gas fields. Having noted that the meeting represents about 1 million shareholders of the world's biggest gas company, Chernomyrdin expressed confidence that the Gazprom collective would enhance prestige of their company by actively developing Russia's richest gas fields and by strengthening the Russian economy.

Russia: Korzhakov Said To Have 'Practically Unlimited' Power

MM0306103196 Moscow KOMSOMOLSKAYA PRAVDA in Russian 31 May-7 Jun 96 p 3

[Article by Viktor Sokirko under the "Inner Circle" rubric: "Is All-Powerful Service Becoming Even More Powerful?"]

[FBIS Translated Text] The activity of the Presidential Security Service [SBP], as with any other service having the prefix "special," has always been shrouded in secrecy.

Legends circulate about this "office," and fairytales are made up about the security service's activity in an effort to lift the veil even the merest fraction. In vain. Even the recently published statute on the Russian Federation Presidential Security Service, which is impressive in terms of its size and the powers it grants, gives an impression of the SBP's nature of activity only in general terms.

The latest and most typical example of how the security service carries out an operation is Yeltsin's visit to Chechnya. Everybody knew that the president was going to travel to the area of the theater of combat operations. But it was thought that Boris Nikolayevich would confine himself to a Moscow meeting with leaders of the Chechen armed opposition and the subsequent signing of a peace treaty. What a feint! Yandarbiyev is in a trance, in Russia there is an approving reaction to the president's actions, and only Aleksandr Korzhakov, who is always at B.N.'s [Yeltsin's] side, maintains an indifferent calm.

The operation was played out like a piece of music. All factors were taken into account: political, technical,

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time, Yandarbiyev's arrival in Moscow, international reaction, and so on and so forth. The most important thing was the element of surprise. Who would have thought that the Chechen delegation's reception would be merely a diversionary factor? In addition Yandarbiyev and his comrades were a reliable guarantee that Yeltsin's visit to Chechnya would pass off without excesses.

It can be assumed that Korzhakov executed a complex maneuver, calculating it in good time, and that he specially lobbied for the idea of inviting Yandarbiyev to Moscow. If that is indeed the case, Korzhakov outdid even the famous mastery of political intrigues of Joseph Fouche (minister of secret police under three French rulers).

Purely from the technical viewpoint, Yeltsin's visit was organized faultlessly. Bearing in mind that the preliminary preparation was secret and that neither the military, the police, nor even the FSB [Federal Security Service] knew about it until the last moment, one can imagine how smooth is the mechanism of the [presidential] security service, which was able to solve questions of ensuring the president's security autonomously. Korzhakov deliberately chose the safest flight and accommodation sites. The Chechen village is outside the gunmen's area of influence, people from the clans of Zavgayev, Avturkhanov, and Khasbulatov live there. Who in Russia is going to investigate such subtleties — the main thing is that the president was in Chechnya.

Anyway, the SBP has everything and even a little more in order to ensure the president's security. Again, we can base this on the aforementioned statute, whose "modest" points show the security service's might and main. Veteran security officers say that even the previous monster — the KGB — did not have such rights and powers.

As the statute says, the SBP protects the president, members of his family, and "other persons" on the president's instructions. The security service is deemed to be a state organ which is part of the Russian Federation Presidential Staff and naturally subordinate to the president. Korzhakov, the department's leader, has been elevated to the rank of minister and is invested with practically unlimited power.

The SBP's sphere of influence is also extremely extensive — besides the close protection of the president at the "permanent venue" and temporary location, including on travel routes. At first glance that does not seem a lot. But it is the security service's job to "discover, anticipate, and thwart unlawful actions at facilities, the list of which is determined by the president." "Facility" could be any point on Russian territory designated by Yeltsin (for which read Korzhakov himself). Bearing in mind that the SBP "can call on the men and equipment of state organs for ensuring security" (the Defense Ministry, MVD [Ministry of Internal Affairs], FSB, GUO [Main Protection Directorate], and such like), the security service is indeed capable of mounting any operation, even one only indirectly associated with its main mission. For instance, to ensure Yeltsin's security during the election — any "dangerous" actions by contenders and their supporters come under the heading of the SBP's "preventive measures."

Having acquired such a service, Yeltsin could rest easy as regards his life and presidency. But the current SBP has a negative side — the security service headed by Korzhakov is directly linked to a specific president: Yeltsin. These two great figures cannot exist without each other. One can only guess about this duo's pluses and minuses, but what will the SBP do if Yeltsin relinquishes his presidential powers?

[Following paragraph is boxed insert] Evidently Korzhakov did not succeed in convincing his "boss" of the need to dismiss Defense Minister Pavel Grachev, his dislike for whom Aleksandr Vasilyevich makes no secret of. Grachev, rumors of whose dismissal are now rife, jumped to it when the president was in Chechnya and with his upbeat report got back into the president's good books.

Military Issues

Russia: Yeltsin Endorses Defense Law Passed by Parliament

LD0106163596 Moscow INTERFAX in English 1526 GMT 1 Jun 96

[FBIS Transcribed Text] MOSCOW, June 1 (Interfax) — President Boris Yeltsin has endorsed a law on defense passed by both houses of parliament, the presidential press service reported on Saturday.

The law, passed by the State Duma, the lower house, on April 24 and by the Federation Council, the upper house, on May 15, lays down, among other things, principles for Russia's defense system, the defense functions of local government bodies and the rights and duties of citizens in defense affairs.

Russia: Grachev Reports on Armed Forces Reforms

MM3105201096 Moscow KRASNAYA ZVEZDA in Russian 31 May 96 pp 1, 3

[Report by Vladimir Maryukha: "The Right Policy Has Been Chosen for the Army"]

[FBIS Translated Text] The results of the winter training period testify to the fact that there has been a significant increase in military skill and in the level of combat and mobilization readiness. Expressing it briefly, that is

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how Army General Pavel Grachev, Russian Federation minister of defense, assessed the state of the Armed Forces when he spoke to the leadership of the Army and Navy and in his report to the supreme commander in chief, who personally took part in summing up the results of the winter training period. Addressing Russian President Boris Nikolayevich Yeltsin, Pavel Grachev stated that today the Army is not demanding any assistance from the state except for timely funding and protection against unjustified attacks by certain mass media. The military have moved on from talking about problems to resolving them autonomously.

"A great deal has been planned. However, the difficult financial and economic conditions have made it impossible to conduct radical military reform. Nevertheless, what has been done has borne fruit," the minister said. The strategic nuclear forces and the essentially newly created forces of the Moscow and North Caucasus Military Districts have been optimized and are always ready to carry out missions. A strategic reserves force has been created in the center of the country on the basis of the Urals, Volga, and Siberian Military Districts. The Mobile Forces have nearly been brought up to strength. Russian troop bases on the territory of Georgia and Armenia have been formed and are functioning on the basis of agreements reached.

"During my latest trip around the troops," Army General Grachev said, "in conversations with officers, men, and their wives, checking the condition of and state of affairs in large units and units in the most remote garrisons — that is, the city of Shadrinsk (Urals Military District), Borzya (Transbaykal Military District), and Yurga (Siberian Military District) — I was persuaded once again that, despite all the existing difficulties, we have chosen the right policy in preserving the Army for the state. At present its might is growing all the time, morale and combat power are rising. We have achieved some results from the 1996 winter period which has ended."

The tasks which the troops were set in the latest training period have by and large been carried out, the minister of defense noted. Following difficult, sometimes painful transformations, the Armed Forces have reached the staffing level set by the Russian Federation president of 1.7 million servicemen. During the winter period, the Russian Federation Armed Forces military contingents continued to participate actively in peacekeeping activity in averting armed conflicts and maintaining and establishing peace on the territories of the sovereign states of the CIS and in the former Yugoslavia. Over 11,000 servicemen and hundreds of units of equipment and weapons have been used in these operations.

Participation in disarming unlawful formations on the territory of the Chechen Republic has been another one of the main tasks carried out by the troops. Here the troops have fully carried out the mission to restore constitutional order. But, despite the repeated instructions of the defense minister, the experience of the war in Afghanistan has not by any means been instilled in all of the units which have been introduced to settle the conflict, and the lessons of this latest conflict have not always been learned; this has inevitably had an effect on the actions of the troops and has led to unjustified losses. Major General Kondratyev has been removed from the post of commander of the task force for these oversights.

But the military districts, fleets, units, and large units have also seen numerous examples of positive results in solving tasks of combat and mobilization readiness and the combat training of troops. The set tasks have been carried out with the highest quality in the North Caucasus, Urals, and Moscow Military Districts, in the 31st Missile Army, in strategic and military transport aviation, in the Northern Fleet, in the 76th and 106th Airborne Divisions, at the Ministry of Defense First State Cosomdrome, and in a number of other large strategic formations and large units.

However, the positive results that have been achieved must not cause us to relax our efforts, because, apart from the objective reasons affecting the state of affairs in the troops, there are also subjective reasons: the low, sometimes unsatisfactory professional training of certain commanders at various levels, as a result of which, during the evaluation carried out by the defense minister, individuals have been removed from the posts they occupied and have been demoted.

During the operational training in the winter period, most attention was devoted to the study and tactical analysis of questions emerging during the settlement of military conflicts on various scales, together with the Border Troops, the Ministry of Internal Affairs Internal Troops, and subunits of the Ministry for Affairs of Civil Defense, Emergency Situations, and Elimination of Natural Disasters. The operational training tasks have been resolved most successfully in the Leningrad and Moscow Military Districts and the Northern Fleet. The "Redut-96" command and staff exercise, several stages of which have already been successfully completed, was unified in a single General Staff plan.

During the winter training period the Ministry of Defense and the troops have started the practical implementation of the Treaty on Collective Security. Questions of planning joint actions by the Russian and Belarusian Armed Forces were resolved.

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Throughout the Armed Forces as a whole during the winter training period 12 units and classification-one ships were graded "excellent" and the training at 49 divisions and corps, 19 weapons and military property storage bases, 113 brigades, and over 400 regiments and classification-one ships was deemed good.

The minister of defense has worked personally in a number of districts: the Urals, Siberian, and Transbaykal Districts, and the Group of Russian Troops in the Transcaucasus. And he saw for himself that, as he put it, in the Armed Forces there are no neglected garrisons, so to speak, but there are lackadaisical chiefs in the localities. However, the majority of examples are nevertheless positive. In the garrison in the city of Shadrinsk Colonel General Yuriy Grekov, commander of the Urals Military District, efficiently located the equipment storage base in the military installations made available following the reduction of the troops. Or another example: In most difficult winter conditions, a surface-to-air missile regiment forming part of an autonomous air defense corps retooled with new equipment in a very short period and embarked on alert duty. Colonel General Valeriy Tretyakov, commander of the Transbaykal Military District troops, was also involved in this.

The minister could not ignore the problems of the Mobile Forces which are being formed either. In the large units and units that constitute these forces, more than 60 percent of the planned company and battalion tactical exercises were not carried out during the winter training period. The large units and units of the Mobile Forces have not been fully provided with standard-issue equipment, modern weaponry, or stocks of material resources. Their staffing levels are not in line with the stated requirements. Although literally alongside these units there are some opposite examples of positive solutions to problems that have built up.

In the latest training period, the Ministry of Defense has lent particular significance to military and military-technical cooperation with other countries, primarily CIS states. "Whereas until now we have aspired to the most civilized forms of disunion," Pavel Grachev stressed, "at present we have to think about the most acceptable forms of unification for us. Notably, on what principles to build joint defense." Headway has already been made in solving the problem of military-technical cooperation, according to the defense minister, particularly in mutual relations with Belarus. This is the first step toward a collective security system constructed on regional lines.

It has proved possible — and it is of no small importance for the combat readiness of the Russian Armed Forces — to stabilize the state of discipline and law and order in the troops. As compared with the same period last year, during the winter training period the number of crimes and incidents fell by 11 percent. The number of deaths caused by violations of the law fell by 27 percent, and the number of suicides by 22 percent. A 20-percent reduction in military service dodging has been noted for the first time in the past 10 years. The best indicators as regards the state of military discipline were achieved in the Strategic Missile Forces, in the Air Force, in the Siberian Military District, the Moscow District Air Defense, and the Black Sea Fleet, as well as a number of directorates and units where the reduction in lawbreaking was over 25 percent. But at the same time, no radical improvement has been achieved in discipline and law and order: There has been a rise in crime in the Navy, the airborne troops, Leningrad Military District, the Pacific and Baltic Fleets, and in the 11th Guards Autonomous Army....

A deterioration in the state of affairs is noted, from what the minister of defense said, in the large units and units which are directly subordinate to chiefs of combat arms and services of branches of the Armed Forces, and combat arms of military districts and fleets. Pavel Grachev noted that in certain cases Moscow's influence on the state of affairs in the localities appears to be negative. He clarified this idea as follows: In the districts and fleets people are busy working, and they have no time to get involved in petty quarrels. "In the Transbaykal District there are no problems. The commander knows everything there, and so there is order. There are no problems in the Siberian district. There are no problems whatsoever in the Urals district, because the commander knows what every single soldier in every platoon is doing and what he is interested in. But it is very difficult to give commands from Moscow, because some people have gotten more involved in politics." This is only because, despite the reduction being carried out, the administrative apparatus in the General Staff and main staffs of Armed Forces branches nevertheless remains excessive. The minister of defense instructed the chief of the General Staff to once again analyze the establishment of the "asphalt garrisons," as Pavel Sergeyevich said, and reduce the posts which it is quite possible to do without.

Yes, the Army has not yet eliminated cases of the embezzlement of property, money, and weapons. But an improvement in the state of affairs is being confirmed if only by the fact that a reduction in the number of officers being released from the Armed Forces early has been observed — there have been 3,000 fewer of these. The staffing level in terms of officers' posts has stabilized at around 88 percent.

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The minister of defense specified and spelled out the tasks of the troops and fleet forces for the summer training period. When these are being carried out, it will be necessary to take into consideration first and foremost the observance of agreements on discontinuing combat actions in Chechnya, withdraw all troops which do not belong to the North Caucasus Military District by 1 August, and continue the training of units for repulsing possible terrorist action by individual bandit formations, and carefully plan preemptive measures and prevent losses of personnel.

Army General Grachev dwelt in detail on the tasks of the branches of the Armed Forces and the optimization of their structure within the set numerical strength and in connection with the development of other Russian Federation forces. In the summer period, the troops must be trained for actions in conditions of local wars and armed conflicts, units deemed unsatisfactory in the previous six-month training period will have to have extra training, and all operational measures will be of an exploratory nature.

The minister of defense also determined the top priority spheres for spending money allocated from the state budget for the needs of the military. It will be channeled first and foremost into the performance of alert duty tasks, the allowances of the Army and Navy personnel, and the organizational development and billeting of troops. Extra-budget funds will be targeted for the construction of housing for servicemen and other social needs. Provision for the districts and garrisons in remote places remains a priority. Incidentally, the minister gave the order to systematically replace the officers serving in such remote areas by 15 September.

Russian Federation President Boris Nikolayevich Yeltsin closed the Army and Navy leadership conference by awarding the Order of Valor to Colonel General Anatoliy Kvashnin and the Order "For Military Services" to Colonel General Fedor Reut.

Russia: Gromov Cited on Army Reform, Grachev, Election

MM0306120596 Moscow ROSSIYSKAYA GAZETA (DOM I OTECHESTVO Supplement) in Russian 1-7 Jun 96 p iii

[Article by Sergey Ptichkin: "Colonel General Boris Gromov: I Have the Honor!"]

[FBIS Translated Text] Boris Vsevolodovich Gromov has unequivocally gone down in the history of the Fatherland's Armed Forces, regardless of how his subsequent Army career takes shape, and moreover with the plus sign "Soldier" against his name. He was born in 1943 and dreamed of becoming a soldier from a boy. He entered Saratov's Suvorov School and moved on to the Kalinin School after that educational establishment was closed down.

He has a brilliant combined arms education and has served in the Baltic, the North Caucasus, Turkovo, and the Carpathians, fought in Afghanistan, and has commanded Kiev Military District. He won national renown as the man who withdrew the USSR's troops from Afghanistan, where he commanded the 40th Army from 1987. Colonel General Boris Gromov is currently an adviser for military questions at the Foreign Ministry, a State Duma deputy, and Boris Yeltsin's agent.

He lives in downtown Moscow in an apartment that he obtained quite legally and officially. He is not registered there alone but with a large family comprising Boris Vsevolodovich, his son, his wife, two daughters, and his mother-in-law from his first marriage. A great deal has been written about this man's personal tragedy in the past and I do not want to return to it and reopen old wounds.

Boris Gromov speaks of his family with military terseness:

"We live harmoniously, although everything that happens to normal people happens to us too. My elder son, Maksim, who met me at the commemorative bridge across the Amudarya, graduated from the Suvorov School and went to the Kiev Combined Arms Command School.... It is a great pity, but like many young people, who became officers at a crucial time for the state, his Army career failed to take off. He went into civilian life and chose Ukraine as his place of residence, and he now lives and works in Kiev. Maksim has two children, so I am already a grandfather.

"My younger son, Andrey, is naturally at the Suvorov school. That is a family tradition of ours now.

"My daughters Valya and Zhenya are at school, or rather at college, as it is now the custom to say, studying foreign languages. Incidentally, my wife, Faina Aleksandrovna, is also diligently learning English and has even enrolled on a special course although she is no longer of student age. I have a remarkable wife; she has enough energy to cope with a family, housework, work, and constant self-improvement...."

Many people note that the so-called war generals — officers who came through the conflagration that was Afghanistan — form the backbone of the Defense Ministry. It is somewhat strange that the former 40th Army commander found himself out of a job at the military department at a time when his experience would have come in most handy. The ups-and-downs of Boris Gromov's military destiny are very strange.

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"It also seemed strange to me at one time," Boris Vsevolodovich smiled sadly "Gorbachev, for instance, did not entirely realize how the war 'across the river' had affected the Armed Forces and was kind-of reluctant to take account of military-political experience acquired there, so he just 'banished' me to the Ministry of Internal Affairs.

"I can say today that I felt my removal from military service very keenly, although for political reasons I did not show it. However, that 'banishment' gave me a great deal of opportunity to take a more philosophical view of the events taking place around us. In particular, I realized that everyone must do the job for which he has been trained, the job of which he is capable. You would have thought that I had stayed in the Army and had just changed the color of my shoulder boards, but.... An Army general cannot command internal troops, just as a policeman does not have the right to lead the Armed Forces.

"My second removal from the Army came on the initiative of the present defense minister and was certainly more unnatural and strange for me than when I was disgraced by the former general secretary."

Boris Vsevolodovich fell silent, and I sensed that this was an unpleasant subject for him; but, unless it is clarified, it is very hard to understand the crux of many of the processes taking place in the Armed Forces, which directly concern many Russian citizens. So I asked just one question which is worrying many people, but to which there is no answer: Why have the commanders with a wealth of Afghan experience not used it in Chechnya?

"I myself cannot understand it," Gromov sighed heavily. "I cannot understand it and I am very upset about it.... I find it deeply unpleasant that the Army is being used to tackle what are purely domestic issues. My first clash with Pavel Sergeyevich arose when discussing fundamental questions of the new Russia's military doctrine. I flatly objected to any use of the Army within the country, whereas the minister believed that in exceptional circumstances the Armed Forces can be used. You must realize that for any country's army the regulations are sacred, and we were dealing with the question of including in the doctrine a point that was too fundamental.

"It was as if fate had thrown down an examination card labeled Chechnya. Naturally I objected in most resolute terms to Russian troops' being brought into that Russian republic to perform certain purely military operations. Not because I was opposed to the establishment of constitutional order but because we have special subunits of the Ministry of Internal Affairs and Federal Security Service that have splendid training and are equipped with all the essentials.

"So it proved impossible to prevent the troops from being sent in. Then what?! Nothing.... A total nightmare for which there is no explanation. All these inconceivable losses are on the conscience of our 'military leaders,' if I can call them that. It is not just in our country but worldwide that the commander is responsible for everything."

"Boris Vsevolodovich!" I could not restrain myself. "Perhaps you are not entirely right, perhaps this is the byproduct of radical Army reform."

"What are you talking about," Col. Gen. Gromov grinned. "What Army reform? Thoughtless downsizing, the hasty withdrawal of all groupings from East Europe, and the suspension of new military hardware procurements? Many people are indeed keen to talk about reforms, but there is no real action. The first real move toward military reform was the president's recent edicts on the fundamentally new organizational development of the Russian Army as of the year 2000. But that is just the first step! It must be followed by plenty of very serious, well thought-out moves with material support from the State Duma, the government, and the Defense Ministry. I have told Boris Nikolayevich [Yeltsin] my view of future military organizational development, and I think that the president agreed with me in many respects."

...Col. Gen. Boris Vsevolodovich Gromov has a complex character. A military man through and through, he combines somewhat surprisingly a strictly military toughness with a gentle intelligence, a commitment to regulations with an extremely broad outlook, pragmatism with a philosophical approach.... There is evidently nothing strange in the fact that Boris Yeltsin has chosen him as his agent in the Russian presidential election campaign.

"The country has gone through the most difficult stage of its development. There is no going back!" the general said firmly as we parted. "Without casting a slur on the past, I am convinced that the future lies with those people who are uniting around Boris Nikolayevich Yeltsin. Russia must only advance, and therefore I personally will vote for Boris Yeltsin."

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Russia: Gromov Arrives in Vladivostok Ahead of Russian-U.S. Exercises

LD0306105596 Moscow ITAR-TASS in English 1045 GMT 3 Jun 96

[By Leonid Vinogradov]

[FBIS Transcribed Text] VLADIVOSTOK, June 3 (Itar-Tass) — Commander-in-Chief of the Russian Naval Forces Feliks Gromov today arrived in Vladivostok, the chief base of the Pacific Fleet. The Admiral will inspect warships and units of the Russian Pacific Fleet, who are now beginning their summer exercises.

Before coming to Vladivostok, Gromov had checked the combat readiness of naval units based on Kamchatka. The Press Centre of the Pacific Fleet reports that the third lap of the joint Russo-American naval exercises, code-named "Interaction at Sea", will be held in the area of Vladivostok during the summer training period.

The first lap of these manoeuvres took place also near Vladivostok in 1994. The American helicopter-carrying landing craft "Dubuque" then took part in the exercises. American and Russian warships polished off their interaction methods near the Hawaiian Islands in 1994. The Russian Pacific Fleet was represented at the manoeuvres by the large submarine killer "Admiral Panteleyev", military tanker "Vladimir Kolechitskiy", and a large landing craft. The most powerful warships of the American and Russian navies will take part in the third lap of the exercises.

Russia: Yeltsin Aide Exposes Embezzlement Within Army

LD0106115296 Moscow Radio Rossii Network in Russian 1100 GMT 1 Jun 96

[FBIS Translated Text] Russian Presidential Aide Aleksandr Livshits has spoken of new instances of misuse of office, which are revealed by an investigation of the compliance with the timescale of the payment of wages.

An almost surreal story happened in the Leningrad military district. According to documents, one of the units in the district was disbanded in 1994 and taken off all the books. In fact, in April 1996 alone, over 6 billion rubles in cash were credited to the units' account in the Pushkin branch of the Promstoybank.

It has also been established that Golemkovskiy, the head of administration of the Kinel District of Samara Region, using a fictitious housing waiting list, received 2 billion rubles from the district budget toward improving the housing conditions of families of servicemen. He then passed on the money to commercial entities. The results of the investigation have been sent to the prosecutor's office.

Russia: Moscow Military District Said Frequented by Army Officials

MK3105122796 Moscow NEZAVISIMAYA GAZETA in Russian 31 May 96 p 2

[Report by Igor Korotchenko: "Kobets Has Become Extremely Active"]

[FBIS Translated Text] NEZAVISIMAYA GAZETA has learned that over the past few weeks there has been a marked rise in the number of visits of high-ranking officials from the Russian Federation Defense Ministry to military units stationed in the Moscow Military District. Moreover, the military press says nothing about these visits. Specifically, it is almost impossible to find Army General Konstantin Kobets, deputy defense minister, in his office, and his staff officers reply to all inquiries that "the general is out working at the Moscow Military District units." In October 1993, Konstantin Kobets played a key role in the suppression of the armed resistance of the Russian Supreme Soviet's defenders, being in command of the headquarters that directed the assault on the [Russian] White House.

Regional Affairs

Russia: Yeltsin, Yandarbiyev Shown Arguing During Kremlin Meeting

LD0206194996 Moscow Russian Television Network in Russian 1600 GMT 2 Jun 96

[Unattributed video report of meeting between Russian President Yeltsin and Zelimkhan Yandarbiyev, president of Ichkeria, on 27 May in the Kremlin; from the "Zerkalo" newscast]

[FBIS Translated Text] On 27 May another important event, not only of the last week but of the last few months, took place. The leaders of the Chechen republic Ichkeria arrived in Moscow to sit down at the negotiating table with the Russian leaders. As a result a document was signed, which may be destined to play a very important role in ending the Chechen war. There have already been fleeting reports that at the last minute the talks were about to break down. Zelimkhan Yandarbiyev, president of Ichkeria, who headed the delegation of separatists, objected to Doku Zavgayev taking part and refused to take the seat at the table which he considered humiliating. President Yeltsin has managed to resolve the problem. You will now see this episode. I am sorry for poor sound quality. The footage was not filmed for television. Here is the Kremlin on Monday, 27 May. [video shows Yandarbiyev's face, scene widens to show the room with Chechens and photographers, Yeltsin entering, followed by a line of officials, including Chernomyrdin, Oleg Lobov, and

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Doku Zavgayev; video then shows Yeltsin about to sit down at head of table, he addresses Yandarbiyev and points to a chair next to him on his left]

[Yeltsin] Sit down. Good afternoon.

[Yandarbiyev] Boris Nikolayevich, I am sorry but I cannot take this seat.

[Yeltsin] Sit down.

[Yandarbiyev] I cannot. [video shows photographer blocking view of Yeltsin; voice off screen says: "Dima, move away;" then Yeltsin shown seated at head of table]

[Yeltsin] No, I told you you have come here and let us have a talk.

[Yandarbiyev] I have come here to resolve one question with you. We have already...

[Yeltsin, interrupting] We are not equals. We are not equals. [video shows Yandarbiyev standing next to Yeltsin, who refuses to look at Yandarbiyev's face]

[Yandarbiyev] Even if we are not equals, we still have to resolve this issue. That is why — who else can resolve it, but us?

[Yeltsin] We are not equals. Sit down. Sit down.

[Yandarbiyev] Boris Nikolayevich, I will not sit down if you speak to me in this tone.

[Yeltsin] My tone is normal.

[Yandarbiyev] Let us have a one-to-one conversation. [video shows Yeltsin's bodyguard, Korzhakov, moving into the shot to stand just behind Yeltsin's seat and leaning toward Yandarbiyev]

[Yeltsin] No. We will have no one-on-one talks. [video shows Yandarbiyev walking away]

[Yandarbiyev] In that case I am leaving altogether.

[Yeltsin] Sit down, please.

[Yandarbiyev] No, I will not sit down. Can you release me from here. [word indistinct] That is it, I will not stand for such insults. If this is typical for the Russian leadership, then it is a different matter. It is not typical of me.

[Yeltsin] We are not holding you here.

[Yandarbiyev] We want you to guarantee us registration and we want guarantees that we will be able to leave.

[Unidentified man] Mr. President we have agreed that the two sides will... [video shows Yeltsin making a sign to him to come nearer]

[Yeltsin, interrupting] Come nearer. [video shows unidentified man approaching]

[Unidentified man] But if Zelimkhan Yandarbiyev could take a seat on that side of the table. I think that this would enable the meeting.

[Yandarbiyev] Let us sit down in this way. If it is later necessary, we will change our seats as you say.

[Yeltsin] The document that needs to be signed will be signed today.

[Yandarbiyev] If we fail to agree today, there will be no document.

[Yeltsin] What do you mean?

[Yandarbiyev] I mean what I said.

[Yeltsin] We must stop the bloodshed. Therefore, enough fighting. We have fought enough. We have fought enough. We have fought enough.

[Yandarbiyev] It is not what I am talking about. Boris Nikolayevich, I want to talk to you one on one. I think that you will later [word indistinct].

[Yeltsin] We have fought enough. We have fought enough. [video shows Yeltsin addressing Zavgayev] I will ask you to sit down on this side. [video shows Yeltsin pointing to the corner of the table. Yeltsin moves to sit down among his officials. He sits down next to Lobov, Chernomyrdin, and Zavgayev in that order, offering Yandarbiyev a seat opposite. Next shot shows Chernomyrdin — not Lobov — next to Yeltsin. Lobov is further away.]

[Unidentified man in uniform next to Yandarbiyev] We want the document to be a serious one and to make sure that it is signed today. That is the position from the point of view from which we want to resolve this question today. Therefore, I ask you for a great favor — not to treat us the way we were treated at the very beginning.

[Yeltsin] I am not treating you in any particular way. I am just telling you that no one has ever dared to be late for a meeting with the Russian president even for five minutes, let alone for two and a half hours, you see.

[Unidentified man in uniform] But that is not our fault. Please accept our apologies. Please accept our apologies, but we say it again: that was not our fault.

[Yeltsin] If that was because of our special services, I will sort it out with them.

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Russia: Yeltsin Doubts Separatist Leaders Can Control Rebels

LD0106144896 Moscow INTERFAX in English 1423 GMT 1 Jun 96

[FBIS Transcribed Text] MOSCOW, June 1 (Interfax) — Russian President Boris Yeltsin has doubted whether the Chechen separatist leaders who took part in the Moscow talks between the Russian authorities and the Chechen opposition are capable of ensuring the implementation of the ceasefire agreement.

Yeltsin "has reason to believe that those who participated in the Moscow talks [on the Chechen side — IF] have no real capability of carrying out the promise they gave during the talks," presidential spokesman Sergey Medvedev told Interfax on Saturday.

This is proved by the developments in Chechnya during the last few days, he said.

"It is obvious that despite his promises [Chechen separatist leader] Zelimkhan Yandarbiyev is now incapable of controlling all units of militants," Medvedev believes.

"Those in Chechnya who are firing in the back seem to remain outside the scope of the (cease-fire) agreements. This means that Russian federal troops will retain the right to an adequate response to such actions," said Medvedev.

Russia: Federal Chief Says Yandarbiyev Unable To Control Fighters

LD0106111996 Moscow INTERFAX in English 1106 GMT 1 Jun 96

[FBIS Transcribed Text] GROZNYY, June 1 (Interfax) — The leader of the Chechen separatists Zelimkhan Yandarbiyev is unable to control the situation among rebel fighters, commander of the federal forces, Lt-Gen Vyacheslav Tikhomirov said in Groznyy on Saturday.

The commander demanded that Yandarbiyev "assume more powers to carry out the Moscow ceasefire agreement from June 1."

"If Yandarbiyev is unable to do so, the federal command will have to look for more influential people among field commanders and conduct negotiations with them," he said.

Federal troops did not offer causes for provocations, he believes. In the current situation he will have to order that "groups of militants who do not wish peace in Chechnya be destroyed decisively."

Russia: Chernomyrdin Calls Chechnya 'Test to New Russian Statehood'

LD3105134596 Moscow ITAR-TASS in English 1327 GMT 31 May 96

[By Gennadiy Yezhov]

[FBIS Transcribed Text] SARANSK, May 31 (Itar-Tass) — The Chechen crisis has become a test to new Russian statehood, efficiency of the federal authorities and ability of Russian society to rally when faced with separatism, Russian Prime Minister Viktor Chernomyrdin said at a conference of leadership and activists of Mordovia in the republic's capital on Friday.

The federal authorities "have learned adequately to react to the encroachments of the country's integrity," the prime minister said.

"The Chechen crisis anguished Russia, anguished the people," Chernomyrdin said. "Eight weeks have passed since the beginning of the implementation of the Russian president's programme for the settlement of the Chechen crisis. A state commission to deal with this matters has been formed under the guidance of prime minister. We have taken a number of important steps to alter the situation, to establish peace, constitutional order and stability in the Chechen Republic."

All this has been achieved due to political will of President Boris Yeltsin, Chernomyrdin said. He described as an important success the talks held early this week and the accords reached with leaders of the opposing side to terminate hostilities in Chechnya as of June 1. The prime minister also said that questions of the release of illegally detained persons are now being worked out.

Chernomyrdin said he regards the problems of Chechnya as personal anguish and tragedy and made the assurances that, as head of the state commission, he will do his utmost for the establishment of peace in Chechnya and revival of the republic's economy. Chernomyrdin stressed particularly that after such a powerful factor for the settlement of the crisis in Chechnya as the visit of President Yeltsin to Chechnya "the road is open for the restoration of peace and constitutional law in the republic, the road is open for civilised inter-Chechen dialogue and the establishment of normal life in the long-suffering land."

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Russia: Presidential Staff Hosts News Conference on Chechnya

MM3105153696 Moscow ROSSIYSKIYE VESTI in Russian 31 May 96 p 2

[Report by Feliks Babitskiy: "Peaceful Settlement of Chechen Crisis Is Irreversible"]

[FBIS Translated Text] Emil Pain, Sergey Stepashin, and Sergey Shakhray, members of the commission for the settlement of the Chechen crisis, held a meeting with journalists 29 May at the Russian Federation Presidential Staff Press Center.

Summing up the initial results of Boris Yeltsin's talks with the separatists, they stressed that the accords reached in the Kremlin are fundamentally different in nature from last year's. This time no one will allow the gunmen to exploit the truce to rearm and regroup their forces because the appropriate measures have been envisaged in this regard.

Emil Pain particularly asked journalists not to link the president's peace initiatives with the coming elections. "Elections or not, no matter under what authorities people are killed and hostages taken, it is a terrible thing," he said. If any of the field commanders suddenly rejects or breaks the truce, Mr. Pain said that we have done our bit, it will be their fault, and the people understand that. "The Armed Forces will react in the appropriate manner," the president's adviser said, and added significantly, "I hope that there is no need for me to explain that?..." At the same time he ruled out the possibility of unauthorized actions by the military since, as the president has said, criminal prosecution lies in store for them for every shot fired. The news conference participants also ruled out the idea of most field commanders failing to comply with the terms of the truce. Sergey Stepashin said that on leaving for Moscow Zelimkhan Yandarbiyev had secured in advance the accord of all of them, including Shamil Basayev. Admittedly, this gives rise to misgivings that the latter is hopeful (with grounds) of avoiding the punishment he deserves for Budennovsk. But Mr. Stepashin tried to reassure the press in fairly a diplomatic way: He said that the Duma has issued an amnesty decree but it is altogether to be hoped that the "prosecutor's office will make the right decision." As for the allegation that on Yandarbiyev's return home Basayev straightaway declared that he does not recognize any accords, Stepashin only shrugged his shoulders: "He seems to have new ideas every day."

The new federal spending on the reconstruction of the Chechen economy envisaged within the peace process framework elicited justifiable misgivings from journalists. In response Sergey Stepashin said that jobs must be urgently created in the republic since high unemployment is better than any ideology at recruiting young Chechens to the gunmen's detachments. During his tour of Chechnya, according to him, most questions he heard from the local inhabitants were not about the war but about unemployment. In conclusion the participants in the news conference voiced the hope that the peaceful settlement of the Chechen crisis is on this occasion already irreversible.

Russia: Chechen Field Commander Reportedly Killed by Own Bodyguards

LD0306084996 Moscow ITAR-TASS World Service in Russian 0727 GMT 3 Jun 96

[By ITAR-TASS special correspondent Aleksandr Kharchenko]

[FBIS Translated Text] Groznyy, 3 Jun (Itar-Tass) — Chechen field commander Ruslan Labazanov, who was killed during the night of Friday-Saturday [31 May-1 June] in the village of Tolstoy-Yurt, died in a shootout with his own bodyguards, ITAR-TASS was told by a Tolstoy-Yurt resident who has arrived in Groznyy.

According to the source, the fight arose from Labazanov's suspicions that his bodyguards Shimanskiy and Istambulov were linked to field commander Shamil Basayev's camp. In the ensuing exchange of fire Labazanov was badly wounded, and he died a few hours later in a local hospital. Another bodyguard who protected him, Umayev, was also seriously injured. Istambulov was killed, and Shimanskiy's fate is unknown.

Russia: Basayev Rebels Implicated in Death of Chechen Field Commander

LD0106093496 Moscow ITAR-TASS in English 0806 GMT 1 Jun 96

[By Aleksandr Kharchenko]

[FBIS Transcribed Text] GROZNYY, June 1 (Itar-Tass) — A spokesman for the Groznyy press centre told Itar-Tass today that independent Chechen field commander Ruslan Labazanov was killed last night in infighting between rebels.

The spokesman quoted the Chechnya-based provisional directorate of the Russian Interior Ministry as saying that Labazanov was slain together with his bodyguard in the village of Tolstoy-Yurt, 15 kilometres north of Groznyy. He was said to have serious health problems over the recent period.

According to Chechen and Russian military sources, Labazanov was killed by rebels of Shamil Basayev.

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Labazanov, 29, was an influential field commander who disobeyed both top military leader Aslan Mashadov and Dudayev's successor Zelimkhan Yandarbiyev.

When separatist leader Dzhokhar Dudayev was firmly in power in the early 1990s, Labazanov, out of the Rostov prison after serving a sentence for murder, joined his cause. Dudayev soon promoted him to command of his personal guards.

Labazanov left Dudayev in 1994 after his brother and a friend were executed on Dudayev's orders. He vowed blood feud and revenge to Dudayev.

Over the past two years, Labazanov was a maverick field commander defying any control by the Dudayev camp and by the Moscow-backed Chechen government under Doku Zavgayev.

His authority with his following was high, and he was called a "Chechen Robin Hood".

Labazanov's base was in the large village of Tolsoi-Yurt. No clashes with federal forces occured in this area over the 17-month conflict in Chechnya.

Attempts on Labazanov's life were made in 1993 and 1994, both leaving him unhurt.

Russia: Rebels' 'Excessive Demands' Reason for Talks Postponement

LD3105183696 Moscow ITAR-TASS in English 1805 GMT 31 May 96

[By Sergey Gorbunov]

[FBIS Transcribed Text] MOSCOW May 31 (Itar-Tass) — The talks between Russian representatives and Chechen separatists, scheduled for Saturday in Makhachkala, Dagestan, have been postponed.

Sources in the Russian state commission for the settlement of the Chechen crisis told Tass late on Friday that the talks had been postponed because of "excessive demands" of Chechen separatists regarding security guarantees for their delegation.

The situation in the Chechen town of Shali, where a Russian soldier and a separatist chieftain were killed in a clash today, also contributed to the postponement.

"The Russian side guaranteed the security of separatist representatives, however, they insisted that nearly a military operation was to be held by their forces to achieve the aim", the source said.

"The Russian Federation cannot allow the movement of a big number of armed people to the territory of the republic neighbouring on Chechnya", said the official representative of the state commission for Chechen settlement which is chaired by Prime Minister Viktor Chernomyrdin.

He admitted that the decision to postpone the talks was taken also because of "a certain influence" of the aggravation of the situation in Shali.

It was not clear for how long the talks had been postponed, but the source said the difficulties were of "technical character".

Russia: OSCE Mediator Says Chechen Leadership Not Split Over Talks

LD3105132996 Moscow INTERFAX in English 1304 GMT 31 May 96

[FBIS Transcribed Text] MOSCOW, May 31 (Interfax) — Head of the OSCE Assistance Group in Chechnya Tim Guldimann has denied reports that Chechen field commander Shamil Basayev, who launched a hostage-taking raid on the southern Russian town of Budennovsk in June 1995, opposed the Moscow talks between the Russian authorities and the armed Chechen opposition early this week.

According to information from anonymous sources, Basayev has allegedly made a statement calling for "bringing [Chechen separatist leader] Zelimkhan Yandarbiyev to accountability" for the Moscow talks. The report quoted "some experts" as saying that "differences between Yandarbiyev and Chechen rebel forces commander Aslan Maskhadov have increased." Maskhadov believes that he has been "unfairly left out" and is "striving to recover the status of Chechnya's political leader," the sources speculated.

Guldimann said he received a statement Friday from Ruslan Chimayev, acting as foreign minister within the Chechen separatist government. In the statement, Chimayev denied the report about Basayev opposing the Moscow talks and the alleged "split" among the opposition's political and military leadership.

The leadership of the armed Chechen opposition again officially confirmed its commitment to the talks on a peace settlement of the Chechen conflict, said Guldimann.

Russia: Ingush President, Chechen Commander View Cease-Fire, Talks

LD0106205896 Moscow ITAR-TASS in English 2035 GMT 1 Jun 96

[FBIS Transcribed Text] MOSCOW, June 1 (Itar-Tass) — Russia's commission for the settlement of the Chechen conflict said a preliminary agreement has been reached to release all Russian soldiers seized by Chechen separatists on Saturday.

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According to reports, Chechen rebels captured 26 Russian soldiers in an attack on their road block near the village of Shuani, Nozhay-Yurt district of Chechnya.

The commission said that talks with Chechen separatist leader Zelimkhan Yandarbiyev have been tentatively scheduled for June 4-5 in the Ingush capital Nazran.

Ingush President Ruslan Aushev has promised to provide the necessary conditions for the delegations' normal work.

Speaking at a press conference in Nazran today, Aushev described as a "tough move" Russian President Boris Yeltsin's decision to invite a Chechen separatist delegation to Moscow for talks and his trip to Chechnya earlier this week.

He believes that the situation in Chechnya will "fully depend on the results of presidential elections in Russia," adding that a referendum could help Chechnya determine its future system.

The commission also said that although a meeting which was due to be held in Makhachkala today did not take place, the Russian side continued intensive talks with Yandarbiyev's delegation and representatives of the Organisation for Security and Cooperation in Europe.

Russian Prime Minister Viktor Chernomyrdin held a meeting with the commission's members today to approve the venue and the date of talks.

Meanwhile, Chechen rebel commanders welcomed a ceasefire agreement signed with Moscow on May 27, 1996 and described it as a gesture of goodwill and a compromise helping find a political settlement of the conflict in Chechnya, Chechen separatist spokesman Movladi Udugov told Itar-Tass by telephone.

At the same time, Chechen rebel commanders called for the earliest possible withdrawal of Russian troops from the republic and opposed any election in Chechnya.

Shirvani Basayev, Chechen separatists' military commandant of the Vedeno district of Chechnya, told Itar-Tass by telephone that Yandarbiyev's order to cease fire has been made known to all mobile groups of rebel forces.

"All units of the armed forces, field commanders and separate mobile groups obey the commander-in-chief's orders unconditionally in accordance with the Constitution of Ichkeria," Basayev said.

He denied media reports that a ceasefire agreement signed in Moscow on May 27 has divided the opposition.

Russia: Chechen Opposition Sets Deadline for Decision on Troops

LD0206094996 Moscow INTERFAX in English 0913 GMT 2 Jun 96

[FBIS Transcribed Text] SOUTH CHECHNYA, June 2 (Interfax) — The armed Chechen opposition's supreme military organ — the state defense committee — on Saturday instructed its delegation at talks with Moscow to decide on the Russian troop withdrawal from Chechnya within a seven-day deadline, a representative of the Chechen opposition's defense committee told Interfax.

If the issue of the federal troop withdrawal is not resolved, the Chechen side will consider this as "an attempt by the Russian side to use the (cease-fire) agreement (signed in Moscow on May 27) as a cover for its improper actions," the opposition's representative said.

"The armed Chechen opposition retains the right to adequate actions," the Chechen opposition's defense committee said.

The Chechen opposition's defense committee welcomed the May 27 cease-fire agreement. However, the defense committee said it considered the attempt to hold elections for the Chechen legislature and sign a treaty between Moscow and Groznyy as "a provocation aimed at jeopardizing the Moscow agreements."

Russia: Interior Minister: Chechen Withdrawal To Proceed in Stages

LD3105092896 Moscow INTERFAX in English 0908 GMT 31 May 96

[FBIS Transcribed Text] MOSCOW, May 31 (Interfax) — The federal troops will be pulled out of Chechnya in stages, Russian Interior Minister Anatoliy Kulikov told Interfax Friday.

"A schedule of withdrawal has been discussed by the Russian Security Council and approved by the president and prime minister. The first stage will cover June, the second stage will end in September or October and the third one before 1997, Kulikov said.

An Interior Ministry brigade and a Defense Ministry motorized brigade will be stationed in Chechnya permanently. They will be reinforced with personnel and armored vehicles.

He hopes that only those two units will be needed, he said.

The implementation of the schedule will depend on the actual state of affairs, Kulikov said.

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Ernst Mulemann, the head of the Council of Europe's Parliamentary Assembly commission on Chechnya, said in the Russian Interior Ministry Friday he is pleased that the conflict in Chechnya has been localized.

Mulemann said that the commission is cooperating with the OSCE mission headed by Tim Guldimann. He explained that his commission attends to human rights more than to military issues and wants to help the parties in the conflict in resolving human rights issues.

Kulikov told Mulemann that the Chechen separatists are still holding 187 Russian construction workers and 131 servicemen. Mulemann promised his help in having all of them released.

Russia: OSCE Mission Head Due To Meet Chechen Leader Maskhadov

LD0206092896 Moscow ITAR-TASS World Service in Russian 0802 GMT 2 Jun 96

[By ITAR-TASS correspondent Alvi Karimov]

[FBIS Translated Text] Groznyy, 2 Jun (Itar-Tass) — A meeting between Tim Guldimann, the head of the OSCE [Organization for Security and Cooperation in Europe] mission in Groznyy, and Aslan Maskhadov, the chief of the main staff of the armed forces of the Republic of Ichkeria, will take place this afternoon. They will discuss the situation with regard to the aborted talks in Makhachkala, Saidkhasan Abumuslimov, the vice president of the Republic of Ichkeria and a participant in the talks on the settling of the Chechen conflict, told ITAR-TASS.

"It will be possible to overcome the unsuccessful beginning of the peace talks and to continue a dialogue aimed at ending the war and restoring peace," he said. "The Chechen side has not given its official consent to a meeting in Nazran on 4 June because the Chechens believe that the Russian side has deliberately derailed the talks in Makhachkala," Abumuslimov said. At the same time he did not rule out the possibility that the venue and time of a new meeting would be named tonight.

The Chechen separatist Information Minister Movladi Udugov told ITAR-TASS by telephone that in his opinion "the Russian military authorities are to blame for the derailment of the talks in Makhachkala because they are not interested in the peaceful settlement of the conflict.

"The Chechen side will take all measures necessary to implement the agreement," he stressed.

Russia: Chechen Rebel Commander Maskhadov Said Blockaded in Shali

LD0106105596 Moscow INTERFAX in English 1040 GMT 1 Jun 96

[FBIS Transcribed Text] GROZNYY, June 1 (Interfax) — According to some sources, Chechen rebel forces commander Aslan Maskhadov is among the 150 separatist militants blockaded by Russian troops in the settlement of Shali, southern Chechnya, a high-ranking representative of the Russian command told Interfax on Saturday.

Russian federal troops blockaded Shali after separatist militants under Maskhadov and field commander Shamil Basayev infiltrated the settlement.

"On May 30, separatist militants provoked local police, riot police and federal troops into taking measures in response to an attack launched by rebels," the Russian military representative said. Unknown persons in police uniform fired upon federal troops from a UAZ car and killed one Russian serviceman, the same source said.

Russian federal troops that were carrying out a passport check in Shali fired back and killed three militants, including the "bandit formation's" commander, wounded another four and took 14 militants prisoner, the same source said.

"Some of those taken prisoner had IDs identifying them as Chechen policemen. The IDs are now being examined for authenticity," the Russian military representative said.

Russia: Chechen Separatists Opposed to Holding Any Elections

LD0106165596 Moscow ITAR-TASS World Service in Russian 1556 GMT 1 Jun 96

[FBIS Translated Text] Moscow, 1 Jun (Itar-Tass) — "The State Committee of Defense of the Chechen Republic-Ichkeria" discussed the agreement on cessation of fighting, military operations, and measures for settling the armed conflict on the territory of the Chechen republic, signed on 27 May 1996, and recognized as positive the talks held in Moscow. Movladi Udugov, the "minister for information of Ichkeria," told an ITAR-TASS correspondent by telephone today that the committee approved the signed agreement, considering it a gesture of goodwill and compromise on the path toward switching military conflict to the course of a political settlement.

At the same time, the committee insists on resolving as soon as possible the issue of the withdrawal of Russian

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forces from Chechnya and is against holding any kind of elections on the territory of the republic.

Russia: Opposition Warns Against Holding Elections in Chechnya

LD0106094696 Moscow INTERFAX in English 0929 GMT 1 Jun 96

[FBIS Transcribed Text] SOUTH CHECHNYA, June 1 (Interfax) — "None of the agreements the government of Doku Zavgayev is planning to sign with Moscow will be legally valid," information minister in the Chechen opposition cabinet Movladi Udugov told Interfax.

Commenting on the draft power sharing agreement between the federal authorities and Chechnya published in Moscow earlier this week he said the Chechen people would not accept "any treaties signed by Zavgayev's puppet government with Moscow."

Udugov claimed the attempt to hold parliamentary elections in Chechnya on June 16 will result in the resumption of hostilities throughout Chechen territory.

He added that a decree signed by the opposition leader Zelimkhan Yandarbiyev at the end of May declares illegitimate "all political actions violating the constitution of the Chechen republic-Ichkeria." The constitution was passed on March 12, 1992 under the regime of Dzhokhar Dudayev.

Udugov also denied reports that field commander Shamil Basayev disagreed with Yandarbiyev over the ceasefire agreement which came into force Friday night.

He called the reports provocative adding that Basayev is subordinate to Commander-in-Chief Yandarbiyev and the defense committee. He said all the treaties signed by the opposition government will be strictly observed.

Russia: Candidates Sobchak, Yakovlev Hold Debate in St. Petersburg

LD0106220396 St. Petersburg Fifth Channel Television Network in Russian 1825 GMT 31 May 96

[Studio debate between St. Petersburg Mayor Anatoliy Sobchak and Deputy Mayor Vladimir Yakovlev, candidates in the St. Petersburg gubernatorial election — live; monitored in progress]

[FBIS Summary] In the 90-minute debate, the two candidates frequently criticize and interrupt each other. Sobchak attacks Yakovlev's record as deputy mayor and his political credentials, while Yakovlev criticizes Sobchak's election tactics.

Sobchak accuses Yakovlev of having no fixed political loyalties. Yakovlev counters that he is for a grand coalition of all political parties united under Boris Yeltsin.

Yakovlev produces a document, which he says shows that Sobchak's name has been mentioned in a federal corruption investigation. Sobchak hints that Yakovlev's private business interests may have criminal associations.

Yakovlev then recalls Sobchak's campaign advertisements: "You started using the terms: clerk of works, tunnel vision, and so on and so forth. The great people in the country today, those who reached the greatest heights, they too were clerks of works. After all, those who build are clerks of works. That is very important."

Sobchak denies ever calling Yakovlev a clerk of works, saying he knows that Yakovlev is a qualified engineer: "I have great respect for you as a major specialist, and that is the very reason I appointed you to your post." Sobchak continues: "It is just that I wanted to understand your political views, because a man who permits himself to say one thing and put in print in a newspaper the direct opposite is a very dangerous man in politics because he is a man without principle and the most awful thing in politics is lack of principle."

Yakovlev goes on to accuse Sobchak of cowing the city and local media. Sobchak replies: "You are an astonishing man. In literally a few minutes you have made so many claims that have simply no connection with reality. The chief thing, Vladimir Anatoliyevich, is why do you insult and offend and show no respect to the people of the city by saying that they are all cowed, that they are all afraid of something, that they have no opinion of their own? Who gave you the right to talk like that about the people of our city?"

When the moderators informs the two candidates that their time is almost up, Sobchak concludes by saying that his aim has always been "to achieve a free, democratic Russia and to have our city become a truly great, European, open city." Yakovlev concludes by continuing his attacks on Sobchak, condemning the "slander" and "lies" of his campaign advertisements.

Russia: Yakovlev Leads in St. Petersburg Election

LD0306063796 Moscow ITAR-TASS World Service in Russian 2340 GMT 2 Jun 96

[ITAR-TASS correspondent Nataliya Cherepanova]

[FBIS Translated Text] St. Petersbsurg, 3 June (Itar-Tass) — It can be affirmed with great confidence that Vladimir Yakovlev has been elected the new head of executive power — Governor — of St. Petersburg. Until recently he was the First Deputy Mayor of

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the city. According to the City Electoral Committee's preliminary figures, in the second round of the elections on Sunday he obtained 47.5 percent of the votes, which assured him victory over his rival Anatoliy Sobchak, who has been Mayor of the city since 1991 and who was supported by 45.8 percent of the voting public. In the opinion of members of the City Electoral Committee, the final results of the elections, which they promise to publish on 5 June, will not change substantially.

Vladimir Anatolyevich Yakovlev was born on 25 November 1944 in the town of Olekminsk (Yakutia) where his mother — a native of Leningrad — had been evacuated. His service in the armed forces was spent in the Transcaucasus Military District. He received his higher education, specializing in "capital construction and reconstruction" at night school at North-Western Polytechnical Institute, where he completed his studies in 1974. He defended his candidate's thesis. He worked as a foreman, managing a capital repair trust.

Vladimir Yakovlev is married with one grown son.

Yakovlev links his victory in the elections with the creation of a coalition in which before the first round of the elections were united three of the 14 candidates to the post of governor and who fielded Yakovlev as a single candidate. Then he was supported by another three candidates for the governorship who did not have sufficient votes to go into the next round.

During the preelection race Vladimir Yakovlev repeatedly promised to form a coalition government if he was elected, and which might include representatives of different political trends on one condition — they must be definite professionals in their field.

In the presidential elections Vladimir Yakovlev supports Boris Yeltsin, as he considers that only the current president is capable of uniting the country and ensuring its stable development.

Economic Issues

Russia: Minister Yasin Assesses Yeltsin's Economic Reforms

BR3105144496 Paris LE MONDE in French 31 May 96 p 4

[Interview with Russian Economy Minister Yevgeniy Yasin by Francoise Lazare; place and date not given: "The Measures Proposed Would Be Destructive"]

[FBIS Translated Text] [Lazare] What would the communists' economic policy be if Gennadiy Zyuganov were to be elected?

[Yasin] If the communists were to be elected, they could not radically set the clock back, they could only slightly amend the current policy. For example, they could strengthen social protection or revise privatization policy. But in each of the areas concerned, the measures taken would be destructive for the economy.

One must bear in mind that all the opposition forces, and not only the Communist Party, are calling for a change in economic policy. So we must decide what has to be changed, but the room for maneuver is very small. After the first phase of reform, marked by financial stabilization and privatization, we must move on to the second one, that of investment and structural reforms. But from this point of view the Communist Party does not propose, in principle, anything other than a program of social spending, which would inevitably reignite inflation. If it strengthens state control of the economy and limits privatizations, there will be no investment, either by domestic or foreign investors, nor even by the state. Zyuganov says that it is important to support local producers. But the state does not have the resources to invest. In short, the communists are proposing no more than measures which are off-limits for Russia's economy.

[Lazare] Are the Russian communists more like those who have recently regained control in a number of Central European countries, or are they more like the former Soviet ones?

[Yasin] In Poland Lech Walesa carried out a more populist campaign than Aleksander Kwasniewski, the former communist who was finally elected president. But a leader is never on his own, he is always hostage to his civil servants. The Polish ones have their eyes set on Europe. The Russian ones are looking eastward and to the past. One needs to free oneself from the past, but it is more difficult in our country.

[Lazare] How do you judge the main successes of the Yeltsin presidency in the economic area, and what failures do you regret the most?

[Yasin] The first stage of reforms has been a success. Thanks to liberalization and privatization, Russia has become a free-market economy. And inflation has been considerably slowed down, from 18 percent a month at the start of 1995 to 1.7 percent in May. On the other hand, I very much regret the failure to strengthen the institutions of state power, such as the customs and tax departments. The courts are not working. The state has to ensure the loyalty of its officials. The fact is that it lacks the resources to do so, and the mechanisms are not effective. I also very much regret the rapid expansion of the underground economy, the weakness of investment, and the delays in paying salaries. There is a serious problem of intercompany debt, which weighs on the business leaders. Or maybe they prefer to invest

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their money differently, in nonproductive investments, for example on the financial markets. We are going to try and reduce the issuing of treasury bonds (the GKO, high yield bonds, which the state is making abundant use of) and to reduce the interest rates.

Russia: Economy Minister Urges Investment in Production Programs

MM3105155496 Moscow RABOCHAYA TRIBUNA in Russian 31 May 96 p 3

[Report transcribed by Nikolay Demidov: "Russian Economy Minister Yevgeniy Yasin: 'Enough of Spreading Ourselves Too Thinly'" — from the "Industrial Herald" section]

[FBIS Translated Text] Russian economic development during the first quarter of 1996 was characterized, on the one hand, by the continuing positive trends which emerged last year. And, on the other, by an increase in the serious problems and contradictions typical of the process of economic stabilization.

It is primarily a question of major shortcomings with budget implementation owing to a considerable deterioration in revenue receipts. According to the Tax Service and the Customs Committee, in terms of revenue the federal budget (minus targeted funds) was 68.8 percent implemented over the quarter, including 59.2 percent in terms of tax revenue.

The prevailing situation poses a great danger. The lack of revenue must be covered by domestic and foreign borrowing, which increases the state debt and the cost of servicing it to an extent which jeopardizes the prospects for economic growth. The task of reducing bank interest rates, creating the conditions for normal credit provision for enterprises, and increasing investments, which we intended to tackle during the first quarter, will evidently not be performed during the scheduled period. The situation is being complicated by the increase in payment arrears.

The real solution lies in doing everything possible, by definitively rejecting inefficient production units, to ensure that the more productive ones, which can form the future of the Russian economy, start to find their feet and develop. Today, because we are to some extent for social reasons spreading ourselves too thinly and trying to maintain and rescue everyone, we are in actual fact delaying our emergence from the crisis.

We are in a situation where a new, pretty serious economic policy maneuver is needed. It consists in our addressing production and seriously tackling its structural reorganization by creating the necessary conditions for this.

My position is that at this moment it is necessary to begin an active investment policy. Needless to say, it depends on whether the budget has money for this or not. Last year the investment program was funded just 50 percent. Now the situation is repeating itself. But if we do not begin serious work today to intensify the investment process, it will be extremely hard to develop the efficient production I mentioned. Let me repeat once more: The new phase involving the structural reorganization of the Russian economy and the modification of our course boils down to the fact that we need to shift the center of gravity to investment in production programs. That alone, in my view, will lead to substantive economic recovery.

Russia: German, Russian Experts Visit Southern Nuclear Station

WS3105122396 Kiev UKRINFORM in English 1131 GMT 31 May 96

[From the "Current Events" feature]

[FBIS Transcribed Text] As UKRINFORM's energy correspondent reported from Yuzhnoukrainsk, Mykolayiv Oblast, directors of German, Russian, and Ukrainian nuclear power stations convened a meeting in this Ukrainian town on May 30. Representatives of the International Atomic Energy Agency (IAEA), Ukraine's Ministry of Ecological Safety, and the State Committee for Nuclear Energy Utilization are also participating in the meeting.

The meeting will focus on the results of cooperation in the preceding years and exchange of experience on utilization of nuclear energy for peaceful purposes.

Foreign participants in the meeting visited the Yuzhnoukrainsk nuclear power station, where Germany's Taprogge is carrying out maintenance repairs on one power generation unit. The Yuzhnoukrainsk power station and Germany's Grode nuclear power plant have been cooperating for a number of years.

The meeting will hear reports on nuclear safety at the Yuzhnoukrainsk power plant, nuclear insurance in Germany, utilization of Taprogge's equipment at Russia's Balakovsk nuclear power plant, etc.

Russia: Aeroflot, Transaero Announce Plans for 'Cooperation'

MK0106140296 Moscow KOMMERSANT-DAILY in Russian 1 Jun 96 p 1

[Report by Leonid Zavarskiy: "Aeroflot and Transaero Locked in a Friendly Embrace"]

[FBIS Translated Text] It is difficult to call a sensation what is first a subject of prolonged gossip in the avi-

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ation world and is then presented as almost inevitable. Yesterday's news, however, has all the makings of a sensation: Aeroflot and Transaero, previously quite antagonistic figures in the air carrier market, have officially announced plans to begin cooperation. Furthermore, this cooperation could go far beyond simple local interaction.

In inviting journalists to a conference, Aeroflot's press service was unwilling to disclose the cause, saying that the chiefs of the two airlines will announce their support for Boris Yeltsin in the presidential elections but "might also discuss a kind of merger." Indeed, Aeroflot General Director Yevgeniy Shaposhnikov and Transaero President Aleksandr Pleshakov, on behalf of the airlines' collectives, declared their support for the incumbent president in the upcoming elections. Out in the lobbies, however, they spoke not only about the elections but also about a two-party union being a foregone conclusion.

Yevgeniy Shaposhnikov and Aleksandr Pleshakov revealed the details [of the possible union] at a brief press conference. The companies decided to "minim ize expenses and consolidate their efforts in working for an effective result." The first line of cooperation will be joint operations at Sheremetyevo. The heads of the airlines were highly emotional: "You cannot imagine what level of idiocy this has reached," Shaposhnikov said. "If things continue in this way, soon it will be impossible to fly," Pleshakov said in support. Then they appraised former airport director Vasiliy Akporisov ("from head to toe" — was the subsequent comment of that appraisal by a person in the audience standing next to your KOMMERSANT-DAILY correspondent). The airlines decided to "jointly win Russia from foreign competition." The following scheme is envisioned: "Aeroflot brings passengers from abroad and Transaero carries them across Russia and the CIS." There is a joint action plan to operate the airport (Shaposhnikov and Pleshakov said that they discussed the matter with the transport minister on 8 May). The implications appear far-reaching: The major Russian airline and a small but highly active air carrier that has strong backers could indeed change the lineup of forces on the air market. For the time being the parties are to work out a detailed cooperation plan, after which it will be signed by the Aeroflot and Transaero chiefs. "This idea matured a long time ago, but we went ahead with concrete activity only a month ago," Yevgeniy Shaposhnikov told your KOMMERSANT-DAILY correspondent at the end of the press conference.

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International Affairs

Ukraine: Kuchma Issues Statement on Removal of Nuclear Weapons

LD0106193696 Kiev UT-1 Television Network in Ukrainian 1800 GMT 1 Jun 96

[FBIS Translated Text] Ukrainian President Leonid Kuchma today issued the following statement:

The withdrawal of strategic nuclear warheads from Ukraine was completed on 1 June 1996. By this, the Ukrainian state demonstrated to the world its commitment to the idea of global nuclear disarmament. The people of Ukraine once had to finance an exhausting nuclear arms race during the Cold War, at the expense of their own well-being and economic development. Having proclaimed itself the owner of nuclear weapons deployed in its territory and inherited from the former USSR, Ukraine regarded these weapons not as an active military force but, above all, as an asset that could, at least partially, compensate for its losses. No nuclear threat to mankind ever emerged from an independent Ukraine.

Guided by the same principle, the Ukrainian Supreme Council announced in the Declaration on State Sovereignty in 1990 that Ukraine would abide by three non-nuclear principles: non-deployment, non-production, and non-acquisition of nuclear weapons. This decision was later confirmed in all of Ukraine's documents and practical steps in the sphere of nuclear disarmament. The removal of the last nuclear warhead from Ukraine is the logical conclusion of this process and convincing proof that our policy is consistent and predictable. This historic event marks the timely and complete fulfillment of our country's obligations according to the trilateral statement of the U.S., Ukrainian, and Russian presidents on 14 January 1994, and represents Ukraine's considerable contribution to the disarmament process.

The complete elimination of nuclear weapons deployed on Ukrainian territory provides a unique opportunity to implement the idea of a nuclear-free Central and Eastern Europe from the Black Sea to the Baltic Sea. Its creation will promote the development of an atmosphere of trust among countries in the region and will considerably reduce the danger of new lines of division emerging on the European continent.

The people of Ukraine, who have experienced the destructive consequences of the accident at the Chernobyl nuclear power plant, are all too well aware of the real threat of catastrophe posed by nuclear arms. That is why Ukraine is confident in its choice of a nuclear-free status and urges other countries, first of all the nuclear powers, to follow the same road and do their best to remove nuclear weapons from the face of our planet as soon as possible and forever.

Ukraine: Ukraine Admitted as Member of Central European Initiative

LD0106155096 Kiev UNIAN in Ukrainian 1435 GMT 1 Jun 96

[FBIS Translated Text] Kiev [no date as received] — On 1 June, the participants in a conference of foreign ministers of the Central European Initiative [CEI] member states in Vienna approved a decision to admit Ukraine to that international organization as a fully-fledged member.

The press center of Ukraine's Foreign Ministry has told UNIAN that Albania, Belarus, Bulgaria, and Romania were also admitted to CEI.

In his speech, Ukraine's Foreign Minister Hennadiy Udovenko stressed Ukraine's readiness to expand in every way possible its contribution to cooperation within the framework of CEI, in particular in such spheres as transport, power engineering, environment and ecological safety, science, technology, agriculture, statistics, information, culture, and also to take an active part in political consultations between the CEI member states.

The minister expressed confidence that Ukraine's accession to CEI would promote its integration into the European economic and political space.

During his visit [to Vienna] Udovenko had talks with Austrian Foreign Minister Wolfgang Schuessel; Belarusian Foreign Minister Uladzimir Syanko; Josef Sestak, Slovak state secretary for foreign affairs; Croatian Foreign Minister Mate Granic, and Benedikt von Tsharner, the personal representative of the acting chairman of the Organization for Security and Cooperation in Europe [OSCE] at the OSCE Permanent Council.

Ukraine: Kuchma Wants CEI States To Be Free From Nuclear Weapons

LD3105172796 Moscow INTERFAX in English 1541 GMT 31 May 96

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] KIEV, May 31 (Interfax - Ukraine) — President Leonid Kuchma said on Thursday Ukraine took the line that Central European Initiative (CEI) member states be free from nuclear weapons.

Meeting the head of Austria's National Council, Heinz Fischer, in Vienna, Kuchma suggested that this principle

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be enshrined in international instruments, the Ukrainian president's press service said.

Kuchma said Ukraine stood for the "evolutionary and gradual" enlargement of NATO and for taking account in the process of the interests of all European countries, including Ukraine.

Speaking about Ukraine's relations with Russia, he said President Boris Yeltsin "simply has no right to lose" the forthcoming presidential election. "Yeltsin's victory is essential for Russia to continue to move along the path of reforms," he said.

Ukrainian Foreign Minister Hennadiy Udovenko on Friday expressed the hope that consideration of Ukraine's application to join CEI as a permanent member would go "without surprises."

He described Ukraine's bid to join the organization as confirmation that the country consistently sought integration into European bodies.

Ukraine: Officials Dismiss Moroz's NATO Statements

LD3105172496 Moscow INTERFAX in English 1641 GMT 31 May 96

[FBIS Transcribed Text] KIEV, May 31 (Interfax-Ukraine) — The recent statements by Ukrainian Parliamentary Chairman Aleksandr Moroz about Ukraine's negative attitude to the proposed NATO enlargement reflect his personal opinion, not the official position of the Ukrainian state, National Security Council Secretary Vladimir Horbulin told Interfax-Ukraine Friday.

Moroz had repeatedly stated during his foreign visits that Ukraine opposed NATO enlargement.

"Definitely, the parliament adopts legislative acts which determine the guidelines for foreign policy, but it is the president, not the parliamentary speaker, who carries out this policy," Horbulin said.

For his part, Ukrainian President Leonid Kuchma had said more than once that no one is entitled to veto NATO enlargement. According to Kuchma, Ukraine does not oppose this process, but believes it should be evolutionary.

"The president of Ukraine proceeds from Ukraine's non-aligned status, which is legislatively stipulated," Horbulin said. "However, if this status eventually curtails Ukraine's development, we will really have to amend the legislative basis."

Ukraine: Kiev, Washington Agree To Set Up Joint Commission

LD3105173296 Moscow INTERFAX in English 1541 GMT 31 May 96

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] President Leonid Kuchma during a telephone conversation with U.S. Vice President Albert Gore on Friday got the latter's agreement for setting up a Ukrainian-American government commission, Kuchma's press office told Interfax.

The new commission is intended to help towards closer contacts in areas of foreign policy, security, economic, trade and investment.

The commission is to be led by Kuchma and Gore.

Bilateral relations and key international issues including European stability and security were also discussed.

Ukraine: Naval Chief Against Ukrainian Navy Presence in Sevastopol

LD0106094396 Kiev UNIAN in Ukrainian 0950 GMT 1 Jun 96

[FBIS Translated Text] Sevastopol [no date as received] — "Moscow firmly insists that the two countries' [Ukrainian and Russian] fleets should be fully set apart. The Russian Black Sea Fleet should be the only one to remain in Sevastopol. The headquarters and ships of Ukraine's naval forces should be based elsewhere, in accordance with the Sochi agreements," Admiral Igor Kasatonov, first deputy commander of the Russian Navy, said in an interview with the SLAVA SEVASTOPOLYA [Glory of Sevastopol] newspaper. He also added that Russian Prime Minister Viktor Chernomyrdin fully approved of these conclusions.

At the same time, it has become objectively necessary to create an entirely new system of the Russian Navy's basing in the vicinity of Novorossiysk, and this, understandably, will require significant capital investment, Kasatonov said.

Ukraine: Official Visit to Germany Deemed 'New Stage' in Relations

WS3105121196 Kiev UKRINFORM in English 1131 GMT 31 May 96

[From the "Current Events" feature]

[FBIS Transcribed Text] As UKRINFORM's Kiev correspondent learned from the Ukrainian Foreign Ministry, German-Ukrainian bilateral consultations have been held in Bonn, Germany. The consultations, which took place from May 29 to 30, were held in accordance

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with an agreement reached in June last year, which provides for the creation of a special mechanism for development of German-Ukrainian relations.

Ukraine's governmental delegation to the consultations was led by Roman Shpek, vice premier in charge of economics and Ivan Kuras, vice premier in charge of humanitarian policies. Other members of the delegation included chairman of the State Committee for Housing and Utilities Heorhiy Onyshchuk, chairman of the Agency for Coordination of International Technical Assistance Lada Pavlikovska, chairman of the Kiev regional administration Vasyl Sinko, chairman of the state credit-investment company Borys Sobolyev, Ukraine's Ambassador to Germany Yuriy Kostenko, and representatives of the Ukrainian Cabinet of Ministers, Foreign Ministry, Economics Ministry, and Ministry of Foreign Economic Relations and Trade. The German delegation consisted of Deputy Foreign Minister Hans-Friedrich von Pletz, Deputy Economics Minister Lorenz Somerus, Deputy Environmental Protection Minister Erhard Yaukk, Deputy Science and Education Minister Friz Saumann and other senior German government officials.

According to information from the Ukrainian Embassy in Bonn, issues involving development of German-Ukrainian relations were discussed. They included ways of developing bilateral political and economic cooperation, provision of assistance to the reform process in Ukraine, and pressing international issues.

At the end of the consultations, an intergovernmental agreement on maintenance of cemeteries where fallen soldiers are buried both in Ukrainian and Germany was signed. A framework agreement on consultations and technical cooperation was also signed. The two parties exchanged ratification certificates signifying the coming into force of the German-Ukrainian agreement on mutual investment protection.

As part of the visit, Vice Premier Roman Shpek met with Germany's Economics Minister Guenter Rexrodt. It was emphasized during the meeting that the Ukrainian delegation's latest visit to Germany signified the beginning of a constructively new stage in development of German-Ukrainian relations as well as part of preparations for German Chancellor Helmut Kohl's official visit to Ukraine in September this year.

Ukraine: Crimea Signs Agreement With Russia's Belgorod Region

LD0206194296 Kiev UNIAR in Ukrainian 1830 GMT 2 Jun 96

[FBIS Translated Text] Simferopol — The Autonomous Republic of Crimea and Belgorod Region of the Russian Federation signed agreements on economic cooperation in a ceremony at the Crimean parliament. Prior to the ceremony, the Russian delegation, led by Belgorod Region Duma Chairman Yuriy Seliverstov and Belgorod Region State Administration Chairman Yevgeniy Savchenko, held talks with Crimean Supreme Council Deputy Chairman Yuriy Podkopayev and Crimean Deputy Prime Minister Andriy Senchenko.

The two sides signed a treaty on "cooperation in the field of trade and barter exchange in light industry and agriculture." Under a separate agreement, Belgorod Region will invest into the development of infrastructure in the townships of Novoozernyy and Mirnyy near Yevpatoriya, which used to be Black Sea Fleet bases.

After signing the agreements, the Belgorod Region delegation held a news conference and left for Yevpatoriya.

National Affairs

Ukraine: Ex-Premier Calls On Government To 'Consolidate'

AU3105130396 Kiev URYADOVYY KURYER in Ukrainian 30 May 96 p 2

[UKRINFORM report: "The President Adopted a Decision as He Found Appropriate"]

[FBIS Translated Text] "Even though I do not accept the reasons for my resignation as formulated in the statement by the Presidential Press Service, yet realizing and knowing how acute and strained the socioeconomic situation in our state is, I will say the following: The president adopted a decision as he found appropriate. This is his right." Ukrainian ex-Prime Minister Yevhen Marchuk said this after the morning session of Ukraine's Supreme Council. For the first time, he was seated among people's deputies and not among members of the government.

"The only thing to which I would like to draw your attention," continued Yevhen Marchuk, "is the futility of shifting all the blame for the present state of the economy on the prime minister. The truth and the causes are rooted much deeper and, unless the government acts in a concerted manner, consolidates, and assumes the enormous responsibility for the present situation, it will take Ukraine a long time to emerge from this destitution. I believe, however, that all of this will be overcome, and Ukraine will eventually attract great interest of politicians and historians as a great power that has emerged from such a difficult situation."

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Ukraine: Lawmakers, Party Leaders Comment on Marchuk Dismissal

WS0306095696 Kiev VSEUKRAINSKIYE VEDOMOSTI in Russian 29 May 96 p 3

[Report by Elina Nesterenko: "No One Is Born To Be a Prime Minister"]

[FBIS Translated Excerpt] [passage omitted] Many well-known politicians have expressed their opinions on Yevhen Marchuk's dismissal. However, their commentaries were quite equivocal.

Rukh faction leader Vyacheslav Chornovil is convinced that "the prime minister had to be removed, because there were errors and disorganization of work." He stated that "the president's move was compulsory and necessary." "We are assessing this decision in a positive manner," the Rukh leader said. "Perhaps it should have been made even earlier." "Marchuk proved to be a typical representative of the command-administrative system, and he was unable to conduct reforms," Vyacheslav Chornovil believes. At the same time, he noted that some of the prime minister's statements and attempts to criticize the president, being a member of his team, were unethical. Speaking about Yevhen Marchuk's political future, the Rukh leader expressed the opinion that "he is not a man who would immediately lay down arms, and will try to remain within the political establishment."

The decision by Leonid Kuchma conforms to the current legislation and the Constitutional Agreement between the parliament and the president, emphasized **Oleksandr Lavrynovych, deputy chairman of the Supreme Council Commission for Legal Policy and Judicial and Legal Reform.** At the same time, he believes that the current system is imbued with an "internal conflict": "Regardless of the personalities of the prime minister and the president, the emergence of difficulties in relations between the government and the Presidential Administration is possible." He emphasized that according to the Constitutional Agreement, the president is the only one to bear the responsibility for the Executive Branch's actions. "If the president disagreed with the prime minister, he evidently had to act in a relevant manner," Oleksandr Lavrynovych said.

Viktor Suslov, chairman of the Supreme Council Commission for Finances and Banking Activities, believes that "there were recently enough reasons" to dismiss the prime minister. Nonetheless, he voiced regret in connection with the ouster of Yevhen Marchuk — a man "with colossal possibilities and potential." He could have implemented many things if he had received timely help and support, the deputy said. Mr. Suslov emphasized that he does not consider the prime minister to be guilty of delays in wages and other welfare payments. Ukraine's economic problems were not removed with the prime minister's dismissal, he said.

Crimean Deputy Leonid Hrach, leader of the Crimean Communist Party, expressed the opinion that "Yevhen Marchuk's latest public statements and his visit to Crimea" became the reasons to sign the edict on the prime minister's ouster. Mr. Hrach believes that "the future of Yevhen Marchuk is in opposition to the president and membership of the left-centrist wing in parliament."

Ukrainian Deputy Prime Minister Oleksandr Yemets, expressed his positive attitude toward Mr. Marchuk's dismissal. "If there is a program, it must be carried out. His dismissal will positively affect the coordination of the government's work," the deputy prime minister believes. In his opinion, Yevhen Marchuk's transfer to the parliament "will confirm the president's decisiveness with regard to the issue of adopting a constitution."

"The prime minister's ouster is quite a serious factor which may create additional social tension in the current difficult political situation in our country," emphasized **Mykhaylo Syrota, leader of the "Center" group and chairman of the temporary special commission for drafting a Ukrainian constitution.** According to him, this is exactly why the majority of members of both the "Center" group and the temporary special commission, believing that "the prime minister's dismissal is a great challenge for the state," are proposing to envision in the draft constitution a norm according to which a prime minister's dismissal should entail the ouster of the entire Cabinet of Ministers.

The relieving of Yevhen Marchuk of the office of prime minister confirms that Leonid Kuchma does not need serious leaders either in the Executive or the Legislative Branches, believes **Ivan Chyzh, head of the socialist faction in the Supreme Council.** He termed Yevhen Marchuk a "potentially strong opponent," but said that "as a political figure, he has not realized himself, and evidently will not do so."

Yevhen Marchuk's dismissal will not have any negative consequences, thinks **People's Deputy Viktor Omelych, member of the Constitutional Commission.** He emphasized that it is the president's right to dismiss the prime minister, which is defined by the Constitutional Agreement. Viktor Omelych noted that the issue of his dismissal did not emerge suddenly: it "had matured." "We could not see coordinated work by the government," Mr. Omelych said. He emphasized that Yevhen

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Marchuk headed the Cabinet of Ministers at an economically difficult period of time, and he "did not have enough strength to implement the government's program."

Ukrainian Peasant Party Chairman Serhiy Dovhan emphasized that in the Supreme Council there are deputies who support the prime minister, and this "may have a significant effect on the alignment of forces within the parliament." He believes that differences between the opinions of the prime minister and the president on reforming the economy were the real reason for the dismissal.

Although under the Constitutional Agreement the office of Ukrainian prime minister envisions the complete unanimity of the opinions and actions of the president and the prime minister, Yevhen Marchuk provided a different example in the press, emphasized **Serhiy Sobolyev, leader of the "Reforms" parliamentary group.** Any steps by the president aimed at restoring discipline and order will contribute to overcoming the economic crisis, he thinks. [passage omitted]

Ukraine: Papers Ponder Reasons for Marchuk's Ouster

WS3105121296

[FBIS Report] On 29 May Kiev newspapers carried commentaries on the recent dismissal of Ukrainian Prime Minister Yevhen Marchuk. The commentators ponder the reasons behind Marchuk's ouster and its possible consequences.

KIYEVSKIYE VEDOMOSTI in Russian, an independent centrist newspaper, on pages 1 and 3 runs a 1,200-word article by Serhiy Rakhmanin entitled "Yevhen Marchuk's Terrible Dream." Admitting that speculations about Marchuk's ouster appeared a long time ago, the author asks "what prompted it" at this particular time. As the first possible reason behind the prime minister's dismissal, Rakhmanin names the recent visit to Kiev by Russian Prime Minister Viktor Chernomyrdin, who possibly "came to back up the Ukrainian prime minister." The columnist points out that "according to unconfirmed information, the two statesmen held a long conversation behind closed doors". An interpretation of the possible topic of their discussion may have prompted Marchuk's dismissal.

The prime minister's interview published in the 18 May issue of ZERKALO NEDELI is cited as another reason, and "it is not ruled out that the aforementioned material was the first step in Marchuk's preconceived game." Marchuk's recent speech in parliament is cited as the second step in this game. Rakhmanin also alleges that Marchuk had to be fired before 8 June, when the Constitutional Agreement between the president and the parliament expires. According to this deal, "the president has the right to decide the fate of the prime minister and the Cabinet of Ministers himself." The commentator adds that "certain people have also supposed that Marchuk's ouster on the eve of the very important second reading of the draft constitution had a purely psychological effect because it demonstrated the head of state's self-confidence."

Continuing, Rakhmanin singles out a few general reasons to fire the prime minister. "First, controversies between the president and the prime minister had become so deep that one executive team became too crowded for them. Second, Marchuk's ratings were growing at an impressive pace, which could not but alarm those who were already thinking about the future presidential elections, as well as those who were aiming at the office of prime minister in a new (postconstitutional) Cabinet. Third, Marchuk was not able to run the government efficiently. Why? There were probably two reasons: an objective one — his possibilities of forming the government were limited; and a subjective one — his concern for his image affected the efficiency of work. Fourth, the prime minister theoretically could have more supporters in the legislative body than in the executive authorities, which could not but perplex the executive branch on the one hand, and complicate the domestic situation on the eve of a constitution, on the other hand. Fifth, the country is on the eve of full-fledged privatization, and the state needed a different prime minister at this important moment. Sixth, external factors could have had an effect on the decision to dismiss Marchuk."

The author concludes by saying that "this political event was significant during a period which may become a turning point in our state's history — a new constitution is within our reach. (...) Serious personnel reshuffles are awaiting the government, and by all appearances they will begin after 8 June. One of the possible government 'newcomers' is already being named. Volodymyr Shcherban, who is rapidly gaining influence, is being considered for the office of first deputy prime minister. However, two quite serious politicians have categorically refuted this rumor, asking that their names not be revealed."

UKRAYINA MOLODA in Ukrainian, an independent newspaper whose editor-in-chief is Kuchma's former aide Mykhaylo Doroshenko, on page 3 carries an 800-word commentary by Oleh Olenyuk entitled "The Prime Minister Became Hostage to 'Corrections.'" Reviewing Marchuk's term in office, the author claims that "after his appointment as head of government by virtue of a presidential edict issued on 8 June 1995, Yevhen Marchuk immediately began creating the image of

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a prime minister who listens to everybody but does not decide anything himself. Yevhen Kyrylovych thus wanted to balance the influences of both the president and the parliament on the Cabinet of Ministers head." According to Olenyuk, "for some reason, there were no decisive actions by the prime minister. Instead, there were energetic actions by the National Bank aimed at curbing inflation, which for some reason pleased neither the prime minister nor directors, who until recently were the main striking force of Ukrainian politics. (...) As a result of this, the prime minister outlined a new course: 'We must find an optimal course between production and inflation....' In common language, this meant that a considerable amount of cash must be printed and put into circulation "to launch" production. Neither government members nor the president understood this. A conflict within the executive vertical hierarchy became evident. (...) At the level of government and parliament, it became obvious that Yevhen Marchuk was not working for reforms, but to create his own image, aiming at the next presidential race."

Concluding, the columnist says that "in this situation, Leonid Kuchma made a somewhat illogical — from the viewpoint of tactical games in the wings — though decisive step: He signed an edict on dismissing Yevhen Marchuk... (...) It would have been a better option for our state's president (...) to delay the dismissal until the government's work had become completely paralyzed due to the prime minister. However, Leonid Kuchma did not agree to take such a step, thereby giving preference to the state's interests and the economy."

VECHIRNIY KYYIV in Ukrainian, a newspaper presenting mostly nationalist views, carries a front-page commentary by Stepan Poradyuk entitled "Happy New Prime Minister!" The author points out that many versions of the prime minister's dismissal are currently being presented, "starting with claims that the president 'made a move with the prime minister' to step up the constitutional process to statements about a commonplace 'removal' of a serious opponent. The fact that Yevhen Marchuk's dismissal followed the sudden visit to Kiev by the Russian prime minister is also being taken into account."

In the opinion of Poradyuk, "from the very beginning (and particularly after appointing Pavlo Lazarenko to the office of first deputy prime minister), Yevhen Marchuk did not rush to throw himself under the caterpillars of the ruined economy and, in general, interfered in domestic matters only when his participation as the prime minister was formally needed."

The author believes that "what is currently important for us is not the reasons behind the protracted battle for power and property, which is extremely burdensome for Ukraine, but its consequences for the state and every one of us. (...) At the same time, it is hardly advisable to look out for some stratagems by real and imaginary enemies through a magnifying glass. Moreover, what has been going on in our top authorities for five years now could be deemed an objective and regular process of manufacturing our own statesmen. Who currently doubts that Yevhen Marchuk has become a phenomenon, given the lack of leaders in our country? And so did the current president once... However, putting aside personalities (God give us them!), one cannot but see that this method of training personnel is uncivilized, I dare say. Is it not too costly and even dangerous for the state?"

Concluding, Poradyuk says that "what remains is only bitter sediment in one's heart: as recently as a month ago, our reformers optimistically announced that 'recovery' had begun, only to currently unanimously state that recovery 'has not been ensured.'"

KHRESHCHATYK, in Ukrainian, the organ of the Kiev City Council of People's Deputies, on page 3 runs an unattributed 300-word commentary entitled "An Afterward to the Event." The article says that "it is hard to agree with the accusations against Yevhen Marchuk that it is he who is guilty of all the failures of the government. It is hard to do so because, since his appointment, everybody has understood that the [former] KGB operative did not have the knowledge that would have enabled him to run the economy and make appropriate decisions, particularly during the difficult transitional period. Perhaps Yevhen Kyrylovych was blamed for the recent events around the Kiev State Administration — during which his team did not behave in the best manner and the prime minister himself mostly kept silent? This is very unlikely. But the accusations of creating his 'own political image' are serious.

Also serious were Yevhen Marchuk's latest talks with his Russian counterpart Chernomyrdin, after which Yevhen Kyrylovych stated that the Black Sea Fleet of the Russian Federation would be stationed in Sevastopol for a certain period of time and under certain terms. (...) Did this not prompt Defense Minister Valeriy Shmarov to say that 'the main base of our navy is in Sevastopol, and it will remain there regardless of any compromise on the division of the Black Sea Fleet. Nobody in Ukraine says that we should leave Sevastopol,' the minister emphasized. So, the point is that Marchuk crossed that line beyond which the issue of government ends and big politics begins."

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Ukraine: Kuchma Supports Council's Move To Stabilize Economy

LD3105131696 Kiev UNIAN in Ukrainian 1045 GMT 31 May 96

[FBIS Translated Text] Kiev [no date as received] — Ukraine's President Leonid Kuchma has supported draft legislative acts aimed at stabilizing the financial situation at enterprises, which were prepared by the Council of Employers and Commodity Producers under the president of Ukraine, council chairman Serhiy Pohorelov has told UNIAN.

He said the council drafted five presidential decrees which envisage a new method of inflation-linked valuation of the inventory balance, normalization of enterprises' payments discipline, exemption of critical imports that are used for the needs of the importer's own production from value-added tax, introduction of a new provision on the procedure for estimating and calculating depreciation charges, the rescheduling of enterprises' debts and exempting them from paying some of their debts.

Besides, the Cabinet of Ministers will be proposed to amend the decree On Value-Added Tax, Pohorelov said. The amendments envisage, in particular, that enterprises should, by 31 December 1997, be vested with the right to choose the method of settling their debts after the money for the products they shipped has been transferred to their clearing accounts.

Pohorelov said the Council of Employers and Commodity Producers would propose to the Supreme Council of Ukraine to amend the law of Ukraine On Levying Taxes on Enterprises' Products and On Payments for Land.

Ukraine: Horbulin on Issues of NATO, Constitution, Government

AU3105132196 Kiev URYADOVYY KURYER in Ukrainian 30 May 96 p 3

[Report by Oleksandr Bittner: "A Briefing at the Presidential Administration"]

[FBIS Translated Text] As is always the case, the most important current events were the topic of a scheduled briefing at the Presidential Administration. Volodymyr Horbulin, adviser to the head of state for issues of national security, told the journalists about the course of those events.

Volodymyr Pavlovych primarily focused on his participation in the conference on disarmament that was held in Bonn last week. The participants in that important conference surpassed the agenda and, in addition to nuclear and chemical disarmament and nuclear nonproliferation, they also discussed general problems of European security. By consensus, the Ukrainian delegation arrived at the conference with important proposals, which may form the basis for a further development of conceptual problems of European security. In particular, Ukraine once again proposed that some thought be given to the creation of a nonnuclear zone in eastern and central Europe, taking into account the interests of both aligned and nonaligned states. It also made a number of proposals on creating a collective security system on the continent.

The Ukrainian delegation was the only one with which NATO Secretary General J. Solana met. Issues associated with NATO's expansion and search for ways to strengthen confidence between East and West were discussed. We offered to J. Solana to create NATO's information center in Kiev, pointed out V. Horbulin, so that the alliance's policy and its transformation in the light of changing strategic realities and so on could be better understood in eastern Europe.

Touching upon [Russian Prime Minister] V. Chernomyrdin's recent visit, V. Horbulin underscored that it had not been unexpected for official Kiev. The signing of a large-scale agreement with Ukraine and the resolution of the Black Sea Fleet problem are considered in Russia to be a very strong trump card in Yeltsin's election campaign. Is it, however, worth analyzing the Ukrainian-Russian relations in this aspect alone? V. Horbulin pointed out that only at the end of the meeting did the sides emerge upon a certain line in discussing a number of problems. As is known, the two groups of experts were given new tasks. He reiterated that Ukraine had not deviated from the Sochi accords even one jot. In V. Horbulin's opinion, the Russian president's visit to Ukraine will not take place until after the elections.

Commenting upon the changes in the government leadership, the secretary of the National Security Council pointed out that he fully endorsed everything written on the matter in the statement by the Presidential Press Service. In all likelihood, these are not the last changes in the Cabinet of Ministers, he said.

V. Horbulin said that the disputes around the draft Constitution were the main events of the week. One can express different opinions on what is going on in the parliament. In his own opinion the most important conclusion was that a majority of 250 to 260 deputies has formed who support the president as well as the draft Constitution. The latest events have once again confirmed the lack of principles and the political nihilism of the left wing in the parliament. Of course,

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we are wasting precious time, but no matter how much the adoption of the Constitution is delayed, there is a way out. If the Supreme Council turns out to be unable to find its own approach to adopting the Main Law, the president will be compelled to opt for another way, stressed V. Horbulin. Unless the parliament starts its work on 4 June, the head of state will have to submit the draft, amended by an interim commission, to a referendum, he said.

The journalists also received answers to other questions. The briefing was presided over by Dmytro Markov, presidential press secretary and head of the Presidential Administration Press Service.

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Belarus

Belarus: Syanko: Russia, Belarus Have No Plans for Military Alliance

LD3105190896 Moscow INTERFAX in English 1541 GMT 31 May 96

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] RIGA, May 31 (Interfax) — Belarus Foreign Minister Uladzimir Syanko said on Thursday his country and Russia had no plans to form a military alliance and would not consider this even if Estonia, Latvia and Lithuania joined NATO.

"Russia and Belarus will not form any special military alliance because it would be senseless," Syanko told a news conference in Riga held to summarize a visit he had made to Latvia.

"Bringing states of the former USSR together into military alliances of any kind would be ineffective because such alliances would be unable to replace the former Warsaw Treaty and compete with NATO in military power and technology," he said.

The minister reaffirmed Belarus's opposition to NATO's planned eastward expansion. If the North Atlantic alliance expanded rapidly and its armed forces came close to Belarus's border the result would be "not only a state of anxiety and alarm but something far more serious," he said but he did not elaborate.

NATO's enlargement should take a "considerable time" for "the interests of all countries must be taken into account."

Belarus itself is not going to join NATO, but it has no objection to Latvia's decision to join since "any country can independently choose its security system," Syanko said.

Though Belarus and Russia will continue their military cooperation in various forms, Belarus's position on NATO's enlargement plans "by no means copies the position of Russia," he said.

He said a recent closer integration treaty between Russia, Belarus, Kazakhstan, and Kyrgyzstan would have no effect on those countries' political relations with other states.

But the four nations' customs union might affect their economic relations with other countries, he said.

Belarus: CFE Tank Destruction Continues; NATO Expansion Opposed

LD3105193296 Moscow Russian Public Television First Channel Network in Russian 1100 GMT 31 May 96

[FBIS Translated Text] Disarmament is a topical issue for Belarus, which is said to be virtually the most militarized country in the world. According to the international CFE [Conventional Forces in Europe] Treaty, it has to destroy nearly 6,500 units of military hardware.

[Begin recording] [Unidentified correspondent] The destruction sites have been turned into terrible graveyards of past military glory; they contain 200,000 tonnes of military scrap metal. As is known, financial constraints forced the Belarusian authorities to suspend compliance with the treaty for eight months in the hope that the West would help out. But their hopes were dashed. Out of the promised $230,000, they received nothing. Nonetheless, Belarus resumed its destruction of military hardware and has practically honored all its obligations. It found the money partly from selling scrap metal, and partly by using the cascade method [metod kaskadirovaniya]: Selling tanks to Hungary, which has to destroy a similar quantity of older models. The last 100 tanks are ready to be sent out of Belarus.

However, Belarus is increasingly concerned at military disequilibrium in the world and the possibility of NATO's eastward expansion.

[Belarusian Defense Minister Leanid Maltsaw, identified by caption] We have been here before. NATO's push to the East will, we predict, bring a response. This is already happening, and there will be confronting blocs again. Of a different nature with different countries and so on. But in principle, nothing has changed, and it needs to be changed. A sensible security system needs to be found.

[Correspondent] According to the Belarusian Foreign Ministry, the republic, jointly with Russia and Kazakhstan, told the Vienna conference reviewing CFE compliance that the treaty needs updating to reflect new military-political realities. It should establish national armaments levels and define new defense sufficiency thresholds. True, for the time being, according to the Belarusian defense minister, this has no effect on the republic's plans to remove nuclear weapons by the end of this year. [end recording]

Belarus: Belarus Admitted Into Central European Initiative

WS03060934496 Minsk Radio Minsk Network in Belarusian 0700 GMT 3 Jun 96

[FBIS Translated Text] Our Republic, along with Albania, Bulgaria, Romania, and Ukraine, has joined the ranks of member states of the Central European Initiative [CEI]. Until now, these countries were associate members of this regional association. The decision was made by CEI foreign ministers at a meeting which took place in Vienna.

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Belarus: Sharetski Comments on U.S. Trip, CIS Assembly Meeting

WS0306093896 Minsk BELAPAN in English 0722 GMT 3 Jun 96

[FBIS Transcribed Text] Minsk, 30 May — During his May 30 news conference Supreme Soviet Chairman Syamyon Sharetski commented on the visit of a Belarusian parliamentary delegation to the United States and its participation in a session of the CIS Interparliamentary Assembly in Bishkek. According to the parliamentary leader, during the 9-day trip to the USA he had a number of meetings with US officials. In particular he met with representatives of both chambers of the US Congress and discussed the Belarus-USA agreement on the avoidance of double taxation with them. During a meeting with James Collins, Special Adviser to the Secretary of State for the New Independent States, they talked about Yuryy Khadyka, who was kept under custody at that time. Syamyon Sharetski said he did not consider Vyacheslaw Siwchyk and Yuryy Khadyka dangerous to society, and that there were no need to keep them under custody. He stressed that the Supreme Soviet would stick to the law as regards the case of Khadyka and Siwchyk. "I do not think they will put into prison for their personal opinion, even if they expressed an opinion different from the President, the Supreme Soviet and so on," he added.

Speaking about his trip to the USA Mr Sharetski concluded that Belarusian legislators do not go abroad frequently enough. During one more visit of a Belarusian parliamentary delegation, scheduled for autumn, special report may be made about the general situation in Belarus. While in the USA the parliamentary speaker had a meeting with representatives of the Belarusian Diaspora. They discussed the possibility to organise one more assembly of Belarusians from the whole world in Minsk. According to Mr Sharetski, the Bishkek session of the CIS Interparliamentary Assembly resulted in the signing of an agreement about the formation of a Parliamentary Assembly of four countries — Belarus, Russia, Kazakhstan and Kyrgyzstan.

Speaking at the news conference Mr Sharetski informed reporters of the immediate plans of the Supreme Soviet. Parliament intends to make a decision about by-elections of deputies to the Supreme and local Soviets. It is most likely that the voter turnout limit will be lowered. The Supreme Soviet will also determine upon the old state symbols and revert to the bill on the 1996 state budget in order to control its implementation.

Belarus: Opposition's March, Clashes Called 'Provocation'

LD3105185096 Moscow INTERFAX in English 1537 GMT 31 May 96

[From the "Presidential Bulletin" feature: compiled by Anna Kovaleva, Nikolay Zherebtsov, Andrey Petrovskiy, and Boris Yunanov]

[FBIS Transcribed Text] Deputy Chief of the Presidential Staff in Minsk Vladimir Zametalin has described last night's attempt by members of the opposition People's Front to mount a picket outside the Presidential Palace in Minsk as being renewed provocation by the ultra-rightist forces.

In an interview with Interfax, Zametalin blamed Front leader and "self-styled political emigre" Zenon Poznyak for masterminding an opposition march and picketing attempt from Warsaw.

IF Note: There were violent clashes in Minsk on Thursday between riot police and demonstrators who demanded the release of seven members of the Ukrainian UNA-UNSO nationalist group who were detained on charges of involvement in mass riotings there on April 26 as well two Belarusians — Slavomir Antonovich, the author of the poem "Kill the President" and Boris Khomayda, editor-in-chief of the Vitebsk-based Vybor newspaper, for publishing it.

Police made 84 arrests outside the Presidential Palace on May 30.

Zametalin says the ultra-rightists have stepped up their activity after a crushing defeat they sustained during recent general elections failing to win a single seat in the new parliament.

"Bankrupt politicians set the goal of attracting public attention and creating for themselves the image of fighters for freedom and democracy at all costs, including the staging of provocative acts," he said.

But Parliament Speaker Semyon Sharetskiy spoke of being opposed to the police handling of last month's anti-government demonstration and detention of two Front activists — Yuriy Khodyko and Vyacheslav Sivchik who were recently set free.

At a news conference in Minsk on Thursday, Sharetskiy said the two activists should not have been taken into police custody despite charges of holding an unauthorized march followed by mass riotings on April 26.

"These people do not pose any threat to the public and should been placed on parole while an investigation is under way," he said.

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The speaker hopes the two Front activists will not be sent to jail as political prisoners, but if the court convicts them of being behind the riotings, they must made accountable under the existing laws.

But Sharetskiy is sure the judges will be able to discern between the notions of political prisoner and organizer of mass disturbances.

In an interview with Interfax, a senior police official in Minsk said the police handling of an unauthorized picketing was justified.

He said the clashes left eight people injured, two of them policemen. Many of the detained protesters will have to face various administrative punishments, the official said.

Belarus: Reasons for Recent KGB-MVD Standoff Viewed

MK0106133096 Moscow SEGODNYA in Russian 31 May 96 p 8

[Report by Sergey Anisko from Minsk: "Power Departments Enter Standoff Phase"]

[FBIS Translated Text] Throughout the history of the existence of power departments, there has been rivalry between them, which periodically developed into open confrontation. Having gotten its sovereignty, Belarus did not avoid this phenomenon either. The political and administrative careers of KGB and MVD [Ministry of Internal Affairs] heads depends on their adherence to some or other political circles of the republic, which have been waging a struggle for power with varying degrees of success. The successors to "Iron Feliks" [Dzerzhinskiy], inexperienced in political intrigue, have found themselves in the role of puppets and are ever more frequently and in an increasingly tough form coming into collision.

A roving patrol of one of the capital's [Minsk's] police departments detained without any grounds (according to the KGB) and beat up a state security colonel, Ternavskiy. KGB Chairman Vladimir Matskevich demanded in writing from Minister of Internal Affairs Valentin Agolets "to look attentively into the circumstances of the incident and take appropriate measures with regard to the culprits." Not only did they fail to take appropriate measures, but instead made accusations against the arrested officer, who, according to the police, offered resistance to their legally acting operatives. Getting no satisfaction, the special service chief sent a report to Alyaksandr Lukashenka and Security Council State Secretary Viktor Sheyman. The report lists all recorded instances of illegal actions by MVD members against state security staffers over the past year. For his part, chief Pinkerton of Belarus — Valentin Agolets — claims that, acting strictly within the bounds of law, his subordinates mainly detain their counterparts from the rivaling department when they break the rules of the road and disturb public order. The culprits as a rule have been drunk.

There KGB's indignation knew no bounds, hence the retaliation came swiftly. They went for the big kill. The Grodno Oblast state security department put to use intelligence material with regard to a criminal group engaged in alcohol smuggling in this border oblast city. The committee [KGB] staffers claimed the mafia was protected by high-ranking MVD men. A scandal broke out. The state secretary intervened and having studied the crux of the matter threw out the accusation against the police leadership as groundless. Nevertheless, tense relations between both departments remain, and it is hard to predict what other developments may follow.

There are several versions of what has caused the present conflict. The committee men claim that the crisis was touched off by the police, who painfully reacted to the committee's enhanced operations with regard to the MVD. Arrests of MVD men over the recent year for unlawful activities sparked a negative reaction in their colleagues.

The most realistic version appears to be the one which has political implications. The ordinary policemen and the internal troopers, whom the official authority of Belarus put as a living shield before the opposition during recent protests, were out in splendid isolation in the role of the "truncheon." They think that by ducking involvement in breaking up the unsanctioned marches, the KGB "washed its hands of it" once again. To put the record straight, however, one should note that special service operatives are never put as a living shield before the opposition. As a result, the public ire at the severe suppression of the opposition and the president's displeasure with arguably not tough enough actions descended upon the Ministry of Internal Affairs. At the same time, in the wake of all these developments, KGB Chairman Vladimir Matskevich went on central television to make it clear that normalization of the situation in the republic is a feather in the cap of none other but his own department.

It is easy to predict what will happen next. Considering the express trend in Belarus's policy of "never washing its dirty linen in public," the scandal involving the confrontation between the two power agencies will be hushed up. A truce will ensue in relations between the KGB and the MVD. Will it endure?

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Kazakhstan

Kazakhstan: President, Germany's Kinkel Discuss Relations

LD3105145696 Moscow INTERFAX in English 1447 GMT 31 May 96

[FBIS Transcribed Text] ALMATY, May 31 (Interfax) — Kazakh President Nursultan Nazarbayev received German Vice Chancellor and Minister of Foreign Affairs Klaus Kinkel in Almaty Friday.

Germany attaches great significance to Kazakhstan as a state of the Central Asian region and intends to actively develop partnership and friendly relations with this country, Kinkel said after this meeting.

The officials focused their attention on political and economic relations between the two states, Kinkel said.

"We adhere to a common point of view stating the need to surmount stagnation in our relations," he said.

The economic relations between two counties worsened in 1995 due to the delay in payments on the credit granted to Kazakhstan by the German government under the guarantees of the German state insurance society Hermes. Kazakhstan used more than DM 850 million of the German credit funds in 1993-1994.

More than 500,000 ethnic Germans live in Kazakhstan and "are a linking bridge between the two countries," Kinkel said. It is necessary to use this factor "in order to give a new impetus to mutual relations between Kazakhstan and Germany," he said.

"We'd like ethnic Germans to remain in Kazakhstan," he said. At the same time he said that Germany preserves its policy with respect to those who would wish to return to their historic homeland.

Kinkel and his Kazakh counterpart, Kasymzhomart Tokayev, are expected to sign an agreement in support of Kazakh citizens with German nationality on Friday afternoon.

Kazakhstan: Agreement Signed With Kinkel on Support for Ethnic Germans

LD3105210796 Almaty Kazakh Television First Program Network in Russian 1400 GMT 31 May 96

[FBIS Translated Text] Klaus Kinkel, the German federal vice-chancellor and foreign minister, is visiting Almaty. Today he had numerous meetings with the republic's leadership.

[Begin recording] [Correspondent] Bilateral economic relations and possibilities for their further development were discussed during a meeting between Klaus Kinkel and President Nursultan Nazarbayev. The sides noted that some decline in cooperation between the two countries has been observed recently. They also exchanged views on the current situation in the CIS on the eve of presidential elections in Russia.

The main subject of the meeting was the problem of ethnic Germans living in Kazakhstan. The German side expressed its interest in ethnic Germans not leaving the republic.

[Kinkel, in German with superimposed Russian translation] I thanked the president for the support Kazakhstan is providing regarding the issue of giving Germany permanent member status on the UN Security Council. I also thanked him for cooperation within the framework of the Organization for Security and Cooperation in Europe [OSCE], and noted that the arrival of a large number of representatives of Germany's business community accompanying me shows how much our country is interested in your country.

[Correspondent] The problem of ethnic Germans in Kazakhstan was also discussed by Klaus Kinkel and Foreign Minister Qasymzhomart Toqayev. In particular, they more precisely defined the text of an agreement to support the ethnic German citizens of the Republic of Kazakhstan, which was being prepared for signing.

Economic cooperation between Germany and Kazakhstan was the subject of talks between Klaus Kinkel and Prime Minister Akezhan Qazhygeldin. The vice chancellor stressed that Kazakhstan is one of the priorities in the foreign policy of the German Government and that the current visit is proof that Germany is interested in the successful investment of German capital in the economy of Kazakhstan. To confirm his words, Kinkel announced the possibility of the allocation to our republic of a huge privileged 40-year credit. Akezhan Qazhygeldin was given a list of specific projects worked out to develop cooperation further.

The same day the vice chancellor and a group of Bundestag deputies were received by the chairmen of the two chambers of Kazakhstan's parliament, Amirbek Baygeldiyev and Marat Ospanov. Klaus Kinkel told them about the structure of the German Bundestag and its relationship with the government.

The result of the visit was the signing of the agreement to support ethnic German citizens of Kazakhstan.

Afterwards Klaus Kinkel gave a press conference for foreign journalists and those of Kazakhstan. [end recording]

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Kazakhstan: Almaty To Be More Active in Asia-Pacific Region

LD3105163496 Moscow INTERFAX in English 1501 GMT 31 May 96

[FBIS Transcribed Text] ALMATY, May 31 (Interfax) — Kazakhstan plans to actively cooperate with countries of the Asian Pacific region and eventually join the Association of South East Asian Nations (ASEAN) regional forum and the Asian Pacific Economic Cooperation group, Kazakh President Nursultan Nazarbayev told Interfax Friday.

"Observer status in ASEAN will have an enormous importance for our republic," he said in comment on his recent visit to Singapore and Malaysia. He said he had secured "the principal support of the leaders of these states" as to Kazakhstan's joining ASEAN in the future.

Kazakhstan, a major Asian state, is interested in turning eastward, towards ASEAN, Nazarbayev said.

"Here we have high technology whose level is higher than in Europe," he said.

Kazakhstan is claiming observer status in ASEAN on the basis of the Eurasian railway project approved by the region's countries in Bangkok in March. The forum decided to build a railway from Singapore to Europe via Malaysia and China.

"Kazakhstan will be one of the states through which the railway will go," Nazarbayev said.

At the same time, some ASEAN members link the observer status with developing trade and economic relations, Nazarbayev admitted. "Only intensified trade will enable Kazakhstan to claim participation in these organizations," he said.

Nazarbayev believes the documents on trade, economic, scientific and technological cooperation, protection and encouragement of investments that he signed in Malaysia will revitalize bilateral economic activities.

In Singapore, Nazarbayev signed an agreement on regular air service between the two countries. Similar trade and economic documents are being prepared for signing.

Nazarbayev invited Prime Minister of Malaysia Mahathir Mohamad and Prime Minister of Singapore Goh Chok Tong to visit Almaty respectively in July and later on this year.

Businessmen from Malaysia and Singapore with whom Nazarbayev met during his visit showed much interest in investing in the Kazakh economy, he said.

"The package of investment projects in power engineering, gold production, telecommunications and some other sectors, tentatively approved by businessmen from these countries, are estimated at $2 billion," he said.

Nazarbayev announced plans to considerably improve the investment climate in Kazakhstan by the end of this year. He said he had instructed the Supreme Economic Council to revise the tax code, the law on foreign investments and import duties "so that the investors could get tax breaks and other incentives until they redeem their costs and start to gain profits."

Tajikistan

Tajikistan: World Bank Issues Position on Tajik Reform

LD3105141596 Dushanbe KHOVAR in Russian 1900 GMT 30 May 96

[FBIS Translated Text] Prime Minister Yahyo Azimov had a meeting today [30 May] with Robert Christiansen, the head of a World Bank mission in the Republic of Tajikistan, and mission official Mustafa Ruis.

During their conversation, which took place in a businesslike and constructive atmosphere, Robert Christiansen mentioned that the World Bank mission has virtually completed its economic report on Tajikistan. It covers three main aspects of the country's economy and affects in particular such sectors as agriculture, finance, and industry. The report will be submitted for further consideration by the Board of Directors of the World Bank after some necessary additional work.

The guests pointed out that, in Tajikistan, achievements have been noted in the macro economy and that there has been economic growth in the sphere of monetary policy, and successes in price formation and trade. It is necessary, Robert Christiansen noted, to determine the priority directions of work.

Those present at the meeting — the leaders of the Ministries of Finance, Economy and Foreign Economic Relations, Agriculture, and the State Committee for Management of State Property — exchanged views with representatives of the World Bank concerning parts of the economic report and suggested ways of improving it.

Ghulom Boboyev, state advisor to the president on economic policy, took part in the meeting.

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Tajikistan: Dushanbe Hopes for Close Contacts With U.S. Business

LD3105185596 Moscow INTERFAX in English 1537 GMT 31 May 96

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] World Bank officials meeting next month are expected to discuss a $55 million loan to Tajikistan to help towards its agrarian reform, President Emomali Rakhmanov said in Dushanbe on Friday.

He told visiting Director of the Central Asia Fund for Private Business Promotion Stephen Sollars of having discussing the loan issue with a World Bank delegation earlier in the day.

Rakhmanov stressed Dushanbe's interest in cooperation with the Sollars-led Fund and other U.S. government and private agencies which, he says, are working in Central Asia to help towards the promotion of small and medium-size business in the region and Central Asia's incorporation into the world market.

He spoke of having read through the Fund's longer range development program saying "Your noble goals are fully in line with our interests."

On the internal situation, Rakhmanov said the process of political stabilization was irreversible. "The people of Tajikistan have opted for a free civilized society," he said.

The Tajik leader sees no alternative to a political dialogue with opposition leaders as a way of achieving civic peace and security in the country.

Rakhmanov spoke of willing to give whatever guarantee is necessary to foreign investment saying "the overall situation is stable and a proper legal groundwork has now been set up." He said Tajikistan's laws on foreign trade, property, free enterprise and foreign investment safeguard a proper investment environment.

Rakhmanov called on foreign investors for joint activity "to mutual benefit."

He also spoke of a government-approved ten-year reform program intended to stimulate cooperation with foreign partners. The IMF extended a special credit to Dushanbe to achieve just that, Rakhmanov said.

He said Dushanbe has begun to place a greater accent on the promotion of small and medium business in the country putting the number of newly-established private businesses at more than 3,000.

The Tajik leader reminded the visiting U.S. official of a recent decree he signed on government support for private business.

More importantly, he said the government's two-year privatization program envisages the transformation of state-run businesses into other ownership forms.

Rakhmanov said Dushanbe was keen to promote business cooperation with the United States. He said the U.S. had "a well-trained personnel" while Tajikistan had a skilled workforce.

Rakhmanov asked Sollars to pass his thanks to the U.S. president for his request of IMF economic assistance to Tajikistan.

For his part, Sollars said his Fund was planning to invest into Tajikistan's private sector including the processing, transport and distribution of farm products.

Tajikistan: Prime Minister, Russia's Bolshakov Sign Protocol

LD0106150396 Dushanbe Radio Tajikistan Network in Tajik 0800 GMT 1 Jun 96

[FBIS Translated Text] At the end of the Russian Government delegation's visit to Tajikistan, the concluding protocol of the working meetings of Aleksey Bolshakov, the deputy chairman of the Government of the Russian Federation [deputy prime minister] and the Prime Minister of Tajikistan Yahyo Azimov was signed. As this document says, the sides, having discussed the developing economy of Tajikistan, the process of the republic's economic reform, and bilateral economic relations, decided that the Tajik side will take measures to increase budget revenue so that the republic can meet its requirement for wheat, power, and fuel.

On broadening trade and economic cooperation, the Russian-Tajik commission was instructed to make proposals to work out a pattern for economic cooperation between Russia and Tajikistan and for repaying Tajikistan's debt to Russia within a month.

The parties agreed that both countries will start practical work to integrate energy schedules and to arrange a plan for the supply of Russian gas to Tajikistan in exchange for local industrial goods, to begin setting up joint ventures, to consider more intensive exploitation of the capacities of the Anzob coal mining plant and the Isfara Hydro-Metallurgical Combine [both in Leninabad region, northern Tajikistan] and other enterprises, to begin jointly carrying out reconstruction of the Nurek Hydro-Electric Power Station and to make Tajikistan's electric power stations joint-stock companies, and to set up joint ventures for the exploitation of the Hoja Sartez gas deposit.

In addition, it follows from the protocol that Russia will help Tajikistan with motor fuels, and in constructing compressor-pump networks for using natural gas.

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The protocol also envisages other spheres of cooperation.

Tajikistan: Russian Economic Delegation Ends Visit

LD3105200896 Moscow INTERFAX in English 1544 GMT 31 May 96

[FBIS Transcribed Text] DUSHANBE, May 31 (Interfax) — A Russian government delegation headed by Deputy Prime Minister Aleksey Bolshakov has concluded its visit to Tajikistan.

The Russian and Tajik parties considered problems of economic development, process of economic transformations in Tajikistan and bilateral economic relations during their sessions in Dushanbe Friday.

Bolshakov told Interfax at a press conference after the meeting that recently there have appeared positive signs in Tajikistan's economy. In particular, it adopted "a normal legislative basis in the sphere of macroeconomics and the tax system." However, the majority of enterprises "practically do not work" in the republic today, Bolshakov said.

"We have found complete mutual understanding" on creation of an energy union during the meetings with the Tajik leadership, he said.

Tajikistan's Prime Minister Yahyo Azimov and Bolshakov signed a protocol in which the parties pledged to develop a schedule of Russian gas supplies to Tajikistan in exchange for products of local industry, and to find work for Tajikistan's defense complex.

The document also provides for joint development of issues related to modernization of the Nurek hydro electric power-station, corporatization of the republic's energy sites, and creation of a joint venture to develop the Khodzha-Sartes gas condensate field.

Russia will render assistance to Tajikistan in creating a net of pumping-compressor stations in order to use natural gas as diesel fuel, Bolshakov said.

The parties also agreed to commission the Russian-Tajik commission on trade-economic cooperation to present its proposals on an economic model of bilateral cooperation and on restructuring the republic's debt to Russia within a month.

The Russian delegation headed by Bolshakov left Dushanbe for Moscow on May 31.

Tajikistan: Opposition Seeks 'Peaceful Coexistence' With Russia

LD0206085596 Tehran IRNA in English 0737 GMT 2 Jun 96

[FBIS Transcribed Text] Tehran, June 2, IRNA — The Tajik Islamic opposition is looking for peaceful coexistence with Russia and neighboring regional countries, said [Sayed] Abdullo Nuri, the leader of Tajikistan's Islamic Movement (TIM), adding the continuation of the conflict is not to their benefit.

In an interview with 'IRAN NEWS' printed Sunday, he stressed the TIM never campaigned for power and its sole aim was to achieve its rights.

Turning to relations with Moscow, Nuri was reported as saying, "the key to peace is in the hands of Russia," adding, "we honor Russian interests in Tajikistan and are willing to expand our ties, particularly economic ones, with Russia."

He stated that Moscow could establish good relations with the Tajik Muslims the same way that Russia has good ties with Islamic Iran.

On the recent fighting between government and opposition forces at Tavil Dara, he remarked that his group was not intent on seizing Tavil Dara, emphasizing, "we do not need to continue our battle as a continuation of war will not benefit us."

As to the [words indistinct] the TIM leader asserted that his group was not responsible for breaches in the agreement, noting however that "whenever a cease-fire is established, the Dushanbe government renews its struggle to compel us to surrender".

Lamenting the Security Council's condemnation of the opposition when the TIM protested against the cease-fire violations, he said the one-sided verdict of the U.N. has encouraged the government to continue the war.

On peace negotiations in Tajikistan, Nuri lauded Iran's efforts in peacefully mending differences and stopping the bloodshed, stating that while TIM was prepared to directly negotiate with Dushanbe, "experience had shown that negotiations in Iran brought better results".

He supported the formation of a national reconciliation council, 40 percent of which would consist of opposition supporters, 40 percent government adherents and 20 percent political institutions.

He rejected the idea of establishing a board to write a new Tajik constitution as dictatorship prevailed and said the TIM favors an Islamic government in Tajikistan.

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Armenia

Armenia: France To Support Armenia's Admission to Council of Europe

LD3105193996 Moscow INTERFAX in English 1700 GMT 31 May 96

[FBIS Transcribed Text] YEREVAN, May 31 (Interfax) — French President Jacques Chirac attaches particular importance to relations with Armenia, Rene Monory, head of the French Senate, said in Yerevan Friday where he met with Armenian Parliament Chairman Babken Ararktsyan.

He said France will support Armenia's admission to the Council of Europe as a full member.

Ararktsyan stressed the importance of the June 11-12 visit of Armenian President Levon Ter-Petrosyan to France at the invitation of President Chirac. The visit will provide a strong impetus to the development of cooperation between the countries, he said.

He also said that the blockade of Armenia is negatively affecting its economy. In this connection Monory said that Turkey will soon be knocking at the doors of the European Union but its admission will largely depend on whether it establishes good relations and opens communications with Armenia.

Meeting with Monory, Armenian Foreign Minister Vagan Papazyan pointed to the possibility of developing bilateral ties in the area of atomic energy.

Monory also met with Ter-Petrosyan Friday.

He is expected to give a news conference in Yerevan on June 1.

Armenia: Border Trade, Oil Issues Discussed With Iranian Ambassador

NC0106164796 Yerevan ARAGIL ELECTRONIC NEWS BULLETIN in English 1237 GMT 1 Jun 96

[FBIS Transcribed Text] Yerevan ("Azg" daily - Armenpress), 06/01/96 — ROA [Republic of Armenia] Minister of Trade, Services, and Tourism Vahan Melkonyan [name as received] met the Ambassador of the Islamic Republic of Iran Mr. Hamid Reza Negar-Esfahani on 30 May.

Press service of the ministry reported that the minister presented the structure and basic directions of the Governmental Commission for Coordination of the Armenia-Iran Relations.

The sides have also discussed border trade, Iran-Turkmenistan- Armenia tri-lateral relations, import of the Iranian fuel in Armenia, construction of the Iran-Armenia pipe-line, and other problems of mutual interest.

Armenia: Communist Party Leader Rebuts Hayrikyan's Statement

NC3005205896 Yerevan Armenia's Radio First Program Network in Armenian 1900 GMT 30 May 96

[FBIS Translated Text] As is known, Paruyr Hayrikyan, a deputy at the National Assembly and leader of the Union of National Self-Determination, declared recently that if successful at the presidential elections, he will give the posts of interior, defense, and foreign ministries respectively to First Secretary of the Armenian Communist Party Sergey Badalyan, head of the National Democratic Union Vazgen Manukyan, and [words indistinct].

At the request of an ARMENPRES correspondent, Sergey Badalyan commented on this statement and described it as inappropriate. This is not for the first time that Hayrikyan has made such inappropriate statements. I think that he is doing this to enhance his prestige among the people at our expense. Badalyan added that in its relations with the other parties and the authorities, the Armenian Communist Party has given no cause for such unserious statements.

Azerbaijan

Azerbaijan: Parliament Ratifies Agreements With Russia, Romania

NC3105180096 Baku TURAN in English 0758 GMT 31 May 96

[FBIS Transcribed Text] Baku/30.05.96/TURAN—Yesterday the Milli Mejlis ratified Russian-Azerbaijani intergovernmental agreement "On air communication and cooperation in field of air transport".

The agreement was signed by the sides in November 1993 in Moscow.

On the same day the Milli Mejlis ratified the agreement "On friendship and cooperation" between Romania and Azerbaijan.

The agreement was signed during the visit of Romania's President, Ion Iliescu, to Baku March 27, 1996.

Azerbaijan: Head of Islamic Party Arrested, Links to Iran Alleged

NC3105182696 Baku TURAN in English 1223 GMT 31 May 96

[FBIS Transcribed Text] Baku/31.05.96/TURAN—Late last week Azerbaijan's authorities arrested several members of Azerbaijan's Islamic Party. The sources from

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Islamic Party report the Ministry of National Security has arrested 10 members of the party.

The reliable sources told TURAN Agency actually the whole administration of the party led by its representative Haji Aliakram Aliyev has been arrested. May 27 criminal proceedings were initiated against Aliakram Aliyev arrested on May 24.

"The representatives of Islamic Party illegally took young Azeri citizens of military age to Iran and before that Islamists freed them from service in the army by false documents. Side by side with religious propaganda, Azeri citizens have gone through another training in Iran", the reliable source told TURAN.

Asked by TURAN's correspondent what is Aliakram Humbatov [Aliyev] accused of Azerbaijan's Minister of National Security, Namik Abbasov, said "the members of Islamic Party were dealing with all kind of things, except for religion. Now we cannot throw the light on many facts", he stressed.

In the near future the Azeri authorities will issue official statement due to activities of the Islamic Party.

It should be noted that the leaders of the Islamic party have been arrested in Baku after suppression of mass anti-governmental rallies of ethnic Azeris on the north of Iran late in April 1996. There is a firm opinion in Baku that the Islamic Party is financed by Iran and it is the source of Shiite fundamentalism. However, until now Islamists have not been subjected to harassment in Azerbaijan. Due to this fact, the observers believe that such savage harassment of Islamists is the answer of Baku on the activities of Tehran against Azeri population in Tabriz (north of Iran).

* The Islamic Party was founded in 1992, however, until now it has not been registered by the Ministry of Justice. According to different sources, the number of members of the party varies from 1,000 to 5,000.

The head of the party Aliakram Aliyev has incomplete school education and before beginning of his political career he was a guard on a Baku's enterprise.

Azerbaijan: Islamic Party Allegedly Harbored 'Foreign Secret Services'

NC3105183596 Baku TURAN in English 1222 GMT 31 May 96

["Foreign Secret Services Worked Under the Cover of the Islam Party of Azerbaijan, Informed Sources Report"—TURAN headline]

[FBIS Transcribed Text] Baku/31.05.96/TURAN—As it was reported, Chairman of the Islam Party of Azerbaijan Haji Aliakram [Aliyev], three his deputies and a number of active members of the party were arrested in Baku late last week. "These are not the last arrests, and the preliminary investigation shows that arrests will probably continue," TURAN was told by source in the Ministry of National Security.

The same source says that the activity of the Islam Party was financed and controlled by the number of foreign states. According to the same source, all arrested will be accused officially in 4 or 5 days.

The activity of the Islam Party is illegal as the party had not been registered in the Ministry of Justice and presently the office of the party has been sealed up.

Another source told TURAN that employees of the Ministry of Security have found out another secret net which "was conducting work for destabilisation of the political situation inside the country."

"Some agents have already been arrested, and the work in this direction is going on." The source refused to specify what foreign countries he meant.

Beginning from 1990 up to present approximately 2,000 young Azeri citizen were sent to study to Iran in the line of the Islamic Party. Their sending was accompanied by some serious violations of law and the leadership of the Spiritual Department of Azerbaijan was involved in it, the source noted.

It is reported that citizens of Azerbaijan, sent to Iran, were trained within first three months in Qasvin and then the best of them were sent for study to Qom. There, equally with receiving religious education, they were taught fighting, use of arms and other methods of armed fight. According to source, under the cover of the Islam Party Teheran started its diversion net which is operating in Baku at the instruction of the regime of Iranian mullahs.

Press-centre of the Spiritual Department refused to comment on the arrests of the members of the Islam Party referring to the fact that Islam Party is a political party with which a Spiritual Department does not have any relations.

Georgia

Georgia: Shevardnadze Leaves for Caucasus Summit in Kislovodsk

LD0306084496 Tbilisi Radio Tbilisi Network in Georgian 0700 GMT 3 Jun 96

[FBIS Translated Text] Georgian President Eduard Shevardnadze left for Kislovodsk today. The presidents of the three Transcaucasian republics, Armenia, Azerbaijan, and Georgia, with Russian mediation, will sign a

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draft declaration on restoring peace and stability in the Caucasus.

Yesterday, the Georgian president said that the meeting between the heads of the Transcaucasian republics and the Russian president might play a historic role in resolving conflicts in the Caucasus.

It is not ruled out that declarations on a peaceful settlement of the Chechen crisis and in support of Boris Yeltsin in the upcoming elections on 16 June will be adopted at the Kislovodsk meeting.

Georgia: Shevardnadze Says Georgia on Way to European Integration

LD3105132096 Moscow ITAR-TASS in English 1253 GMT 31 May 96

[By Tengiz Pachkoriya]

[FBIS Transcribed Text] TBILISI, May 31 (Itar-Tass) — Georgian President Eduard Shevardnadze believes that the granting to Georgia of the status of a "special invitee" of the Council of Europe is an initial step toward Georgia's becoming integrated into European community as a full-fledged member.

Shevardnadze held talks with David Atkinson, representative of the European Union, in Tbilisi today.

Atkinson told reporters that in accordance with the decision of the Coordination Bureau of the Council of Europe to grant the status of a "special invitee" to Georgia, five members of the Georgian Parliament can participate permanently in the work of the Parliamentary Assembly of the Council of Europe.

Georgia: Ministry Agrees To Give Russia Part of Georgia's CFE Quota

LD0106133996 Tbilisi IPRINDA in Russian 1130 GMT 1 Jun 96

[FBIS Translated Text] Tbilisi, 1 Jun — The Defense Ministry press center has reported that a special session of the Defense Ministry's military collegium was held on 31 May to discuss the transfer to the Russian Defense Ministry of part of Georgia's equipment and armaments quota set by the Tashkent treaty.

Georgian Defense Minister Vardiko Nadibaidze said that at a Vienna conference on the limitation of conventional forces in Europe [CFE] on 30 May, at the proposal of both the Russian and U.S. delegations, Russia was given the right to use part of Georgia's and Armenia's quotas, providing they relinquished it voluntarily and their sovereignty was respected.

The session heard that in return, Russia had undertaken to supply the Georgian Armed Forces with the required amount of military equipment and weapons. Bearing this undertaking in mind, the military collegium supported the proposal to transfer part of Georgia's quota to Russia voluntarily and conveyed its opinion to the Georgian president in writing.

Georgia: Shevardnadze Issues Edict on Azeri Oil Freight

AU3105130196 Tbilisi SAKHALKHO GAZETI in Georgian 23 May 96 p 4

[Report by SAKINFORM: "On the Transportation of Freight Belonging to the International Azerbaijani Oil Consortium Through Georgia"]

[FBIS Translated Text] The package of agreements — on the restoration, reconstruction, construction, and putting into operation of the Baku-Batumi oil pipeline — signed on 8 March 1996 by the governments of Georgia and Azerbaijan and the International Azerbaijani Oil Consortium [IAOC] creates the possibility for Georgia to participate in the project to develop the oil deposits in the Caspian region. In turn, the implementation of this project is connected to a significant extent with the unhindered transportation through Georgia of that freight that is essential for the extraction of oil from the Caspian deposits and its transportation. All this has the greatest importance both for the stable development of the project as a whole and the rehabilitation of Georgia's transport infrastructure and the establishment of the Georgian transport route as an integral part of the Eurasian [transport] corridor.

In order to fulfill completely and on time the obligations that the aforementioned agreements have placed upon the Georgian authorities, in accordance with an edict of the Georgian president, ministries and state and other departments are charged with participating directly in the resolution of questions necessary for the stable development of the project and ensuring the creation of conditions essential for and facilitating its implementation.

The heads of the Railway Department, the Fuel and Power State Corporation, the Ministry of Trade and Foreign Economic Relations, the forestry and customs departments, and the transport and highway police should do everything to resolve in an efficient manner problems arising with the transportation of freight connected with the project.

G. Chanturia, the plenipotentiary extraordinary of the Georgian president and president of the Georgian Oil International Corporation [GOIC] has been entrusted with ensuring the coordination of matters connected with the realization of the project with the IAOC

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and other companies, overseeing, along with them, the unimpeded delivery of freight connected with the project, and ensuring that an effective system that corresponds to international standards is created.

In accordance with the edict, the State Chancellery Local Administration and Regional Policy Coordination Service (T. Pipia), the state plenipotentiaries of the Georgian president, and the administrative board chairmen of those regions through which the freight is to be transported are entrusted with establishing special control over the unimpeded transportation of this freight.

The mayors of Batumi and Poti and the heads of the ports of Batumi and Poti (A. Smirba, V. Gegidze) should establish particular control over the functioning of all the town services that are directly connected with the unimpeded work of the ports and railway line, render assistance to the foreign specialists and members of the GOIC working groups engaged in these matters, and have the corresponding docks and mechanisms in complete order; pay particular attention to the organization of the work process and the involvement of experienced workers in this; for the processing of this freight, establish a 24-hour work schedule for top-level personnel in the ports; ensure the allocation and protection of storage facilities for this freight and the equipment necessary for its maintenance; implement measures to receive as a matter of priority ships connected with the aforementioned project and process the freight within the set period of time.

In order to create a particularly high-quality processing system that corresponds to international standards, which is necessary for the freight connected with the project, it is viewed as expedient that the GOIC, with the participation of the IAOC and other international firms, equips wharves 6 and 7 in the port of Batumi and wharves 4 and 5 in the port of Poti with modern equipment and technology.

Georgia: AIOC To Build Caspian-Mediterranean Pipeline

LD3105210396 Moscow INTERFAX in English 1749 GMT 31 May 96

[FBIS Transcribed Text] TBILISI, May 31 (Interfax) — The large amounts of oil to be produced by Caspian offshore oil rigs will necessitate building a pipeline to the Mediterranean, Azerbaijani International Operating Consortium (AIOC) President Terry Adams told a news conference in Tbilisi Friday.

The consortium will have to take into account Turkey's well-grounded concern about the transportation of "big oil" on large tankers through the Bosporus Straits, Adams said. Several options for "big oil" transportation are under consideration, including from Baku to Turkey's Jeikhan and from Baku to Russia's Novorossiysk, he said.

Adams described the results of his visit to Georgia as "extremely productive." He said he had discussed specific issues concerning preparation for transiting Caspian oil by the "Western route," through Georgia, an alternative to the so-called "Russian route."

In particular, he said plans to upgrade a pipeline from Baku to Supsa via Batumi has been launched. An international tender has been announced to find a general contractor for the project, he said.

Well-known companies from the West, Turkey and Russia will be invited to take part, as well as those from Japan which joined the consortium lately, Adams said.

The consortium is the coordinator of the exploration of the Azeri, Chirag and Gyuneshli Caspian offshore sites in the Azerbaijani sector of the Caspian shelf.

The Georgian pipeline will be 926 kilometers long, 480 kilometers of which will go through Azerbaijan.

The pipeline will be ready in 13 months. The transportation rate will be fixed at $0.43 per barrel, $0.26 of which will go to Azerbaijan and $0.17 to Georgia. Total investments in the project will be $231 million.

Georgia: Most Russian Peacekeepers 'Unexpectedly' Leave S. Ossetia

LD0106143696 Tbilisi IBERIA in Georgian 1350 GMT 1 Jun 96

[FBIS Translated Text] Tskhinvali [South Ossetia], 1 Jun — An IBERIA correspondent has been told at the [pro-Georgian] administration of Shida Kartli [province in northern Georgia, which includes South Ossetia] that most of the Russian peacekeeping contingent has unexpectedly left the Tskhinvali region. As is known, rotation of the Russian peacekeeping forces in the Tskhinvali region takes place every six months. Fresh troops should have arrived from St. Petersburg, but the old contingent left the region before their arrival.

At present, the situation is controlled by joint Georgian-Ossetian police units. Despite the departure of the Russian peacekeepers, the situation in the Tskhinvali region is under control, Georgian and Ossetian police are coordinating their actions, and there has been no trouble.

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Estonia

Estonia: Russia Views Kallas Report as 'Constructive', 'Pragmatic'

WS0306111096 Tallinn ETA in English 0801 GMT 3 June 96

[From 3 June POSTIMEES, p. 3; "News Bulletin" No. 106/96]

[FBIS Transcribed Text] Monday, June 3 — Russian Foreign Ministry considers the report of the Estonian Foreign Minister Siim Kallas in the Riigikogu [parliament] last Thursday both a constructive and a pragmatic one. The Deputy Director of the 2nd European department in the Russian Foreign Ministry Alexander Udaltsov declared to POSTIMEES that the ministry had read Kallas' report with interest and considered the remarks on Russia reserved and sensibly tuned. Kallas had recommended in his report to the parliament to view the situation in Russia calmly and with a long-term perspective, not to be influenced by the mood of the moment.

"We would like to hope that the speech of the Estonian foreign minister was not just a lone episode in the country's internal policy but will be followed by practical steps", Udaltsov told. Kallas had mentioned cooperation in mutual interests with Russia and openness to Russian proposals.

Udaltsov admitted to mutual interests but said there was one problem, hindering the possible development of the bilateral relations - the situation of Russians in Estonia. Asked how probable was a meeting between Kallas and the Russian Foreign Minister Yevgeniy Primakov, Udaltsov answered the meeting would be probable if the Russian side knew there were something constructive and interesting in the portfolio of Kallas. If there was no change in the legislation concerning the Russians in Estonia, the two foreign ministers' meeting would be just an occasion of them presenting demands to each other and depart, Udaltsov said.

Estonia: Foreign Minister Reviews Policy

WS3005125296 Tallinn Ministry of Foreign Affairs Press Release in English 1318 GMT 30 May 96

[Address to the Estonian Parliament by Estonian Foreign Minister Siim Kallas on 30 May]

[FBIS Transcribed Text] Honourable Mr. Chairman, honourable members of the Riigikogu, Ladies and Gentlemen:

Today I appear before you with my regular semi-annual overview of Estonia's foreign policy which contains an overview of the present situation and an attempt to glance into the near future. As Minister of Foreign Affairs I am delighted to have the opportunity to exchange thoughts with you on a regular basis. It is clear that only by acting in unison and formulating priorities and courses of action, can we conduct an effective Estonian foreign policy.

Estonia's foreign policy is developing along with the Estonian nation, gradually assuming a new and clearer form. Thus I dwell today, in the following order, on integration with the European Union, the approach towards NATO, relations with neighbouring states — dealing more thoroughly with our relations with Russia — and I will close with current affairs.

I

Political and economic integration with the European Union has developed into a top priority in Estonia's foreign policy — and more and more in domestic policy as well. As open debate progresses the Estonian people understand the European Union ever more adequately. We are a European people and we are able to keep our identity only by belonging irrevocably to Europe, only together with other nations striving for the same goal. To belong irrevocably to Europe and to take part in developing its future is something Estonia can do only as a full-fledged member of the European Union.

Estonian foreign policy has been effective vis a vis the European Union. Estonia has joined the structural dialogue between the European Union and its associated member states. Representatives of the Ministry of Foreign Affairs and other relevant government officials have actively participated in the work of specialised working groups. A number of important bilateral meetings on the expansion of the European Union have taken place.

Despite many different opinions and signals, things that seemed questionable as recently as half a year ago, are clear today. Estonia has a real prospect to join the European Union among the first Central and East European nations. What does this mean? It means that we are indeed treated as equals with all other candidates, based strictly on our own achievements. It means that our future is in our own hands, and we have to work, work and work some more. During the past half year the Government has set up the relevant domestic structures.

Today, we are focusing on compiling thoroughgoing answers to the voluminous questionnaire of the Commission, on the basis of which preliminary evaluation of all candidate states is expected as early as the end of the year. Our answers are due by midsummer. I expect that all relevant officials will be able to exert themselves to meet this important goal. Afterwards we will have to

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work even harder to progress in those areas where there are still shortcomings.

II

In the case of NATO, just as with the European Union, Estonia supports objective evaluation of the candidate states. Estonia believes that no country outside NATO should have a direct or indirect veto over the opening up of NATO. Estonia's co-operation with NATO is directed towards safeguarding the security in Europe, and it is not directed against Russia or any other nation.

In our relations with NATO we have by now passed the level of making declarations and feeling each other out. Everyday political and practical co-operation has started. This is in complete accordance with Estonia's political course with the opening up of NATO: less talk and more practical work. Estonia has presented its discussion paper and now participates on this basis in the intensified dialogue with NATO. An Estonian infantry platoon participates in the NATO led IFOR in Bosnia. Estonia's co-operation with NATO is centered on the "Partnership for Peace" programme. Co- operation with NATO and its member states includes the development of BALTBAT, air space control, training and equipment — in other words, includes the developing of the armed forces as a whole. Joint exercises are scheduled to take place on Estonian soil in the summer of 1997.

III

Co-operation with neighbouring states has always had a very important role in Estonia's foreign policy.

Based on our common history and cultural background, Estonia's closest relations now are with the Nordic countries — following a centuries old pattern. It is difficult to expect surprises from traditionally stable relations. Yet, during the past half year we have reached a new quality here too. I dare to state here today in the Riigikogu: for the first time in history we have reached equilibrium. The Nordic countries are just as interested in co-operating with Estonia as we are in co-operating with them. One good example — the fact that the first foreign visit of the new Swedish prime minister Goran Persson was to Tallinn did not surprise anyone. A year ago a similar move would have been viewed as a great surprise or an act of fire fighting. Today, Nordic support for Estonia on our road to the European Union and the Euro-Atlantic security structures is remarkably unanimous and strong.

Significant progress in practical co-operation with our Baltic neighbours — Latvia and Lithuania — has been made during the past half year. In the spirit of compromise, the maritime boundary dispute with Latvia has in substance been solved. The Prime Minister's participation in solving such complicated problems is necessary and natural in order to assure the harmony of interlocking domestic and foreign policies.

On Monday, the free trade agreement on agricultural products of the Baltic states was initialled. This eliminates all import and export tariffs and quantitative restrictions between Estonia, Latvia and Lithuania. Negotiations that lasted for years have borne fruit. The signing is planned for mid-June. We very much hope that the Riigikogu and the parliaments of Latvia and Lithuania will quickly ratify the FTA on agricultural products. The farmers and the consumers of all three nations will benefit. Baltic co-operation will grow even stronger.

The social security of many people will increase with the signing of agreements with Latvia and Lithuania. The agreements signed in Vilnius on Tuesday deal with medical and pension insurance, child support, work-related accident and unemployment benefits.

All three Baltic states have applied to join the European Union. Different attempts to formulate a co-operative approach gave rise to many debates earlier this year. Perceiving the difference of the simplified formula "all together" from the accession criteria set out at the Madrid Summit, many reacted emotionally, exaggerating competitiveness. The unfortunate impression began to be created that Estonia in any case wanted to be the first to join the EU, ahead of Latvia and Lithuania.

Let me present the official view. We prefer that the accession negotiations should start simultaneously with all candidate nations. Estonia would like to see as many Baltic states as possible included in the first round of enlargement. That would best suit our national interests. At the same time, Estonia accepts the principle laid down in Madrid that each country will be treated on its own merits, starting from its objective achievements. Who is ready, is ready, and who is not, has to work harder. Regardless of how many Baltic states are accepted in the first round of enlargement, it is important that the co-operation on EU related matters among Estonia, Latvia and Lithuania will be guided by the gentlemanly formula "one for all, all for one". We should follow this formula both before and after the accession of three, two or one Baltic state. Let us hope that this approach will make Estonia's chairmanship of the Baltic Council of Ministers beginning July 1st fruitful.

In relations with Russia the past half year did not produce resonant achievements, but nevertheless a lot of tough technical work has been done, for instance in preparing a new border agreement. We have to recognise that since the beginning of the year, Russia

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has lived in a heated atmosphere of unprecedented presidential elections. A Russia searching for herself and trying to define herself is confronted with her past and is discontented with her present. It is regrettable that this self-definition is followed by sharp confrontation with the outer world by some Russian political forces. Estonia's emergence as the focus of this propaganda drive can be explained by the convergence of two contradictory factors: in Russia, Estonia is on the one hand seen as part of Russia's own past, and on the other hand — clearly — as part of the outer world.

Estonia is concerned by excessive rhetoric. At the same time, on the basis of previous analysis, we have to meet the rhetoric with calm. In foreign policy, especially in relation with neighbour states, we must always base our policies on long-term perspectives and not pay excessive attention to the moods of the moment.

Estonia and Russia have many common interests that require co-operation. Areas we may mention include trade, transit, environmental protection, crime fighting, co-operation on border and customs control, energy, communications and transport. In cultural and educational exchanges there are unexplored opportunities. Offering mutually beneficial co- operation to Russia in all these areas, and an openness to Russian proposals — this is Estonia's continuous and steadfast political course towards Russia since September 1994. This is the essence of the policy of positive engagement as declared by Estonia.

The presidential elections will pass. Russia will have new opportunities to rearrange relations with her neighbours. The Estonian Foreign Ministry is preparing to bolster the positive engagement policy with new concrete proposals for the fall season. We are optimistic that the Russian side will do the same, as their recent proposal demonstrates — Russian preparations for negotiations on the MFN treatment in mutual trade. First in line are the agreements on prevention of double taxation, on protection of investments and on co-operation between the interior ministries. The field of mutual relations is broad and it has never become overgrown with weeds due to a lack of work. From 1991 to 1996, 24 different agreements have come into force between Estonia and Russia. Four more have been signed and are pending ratification or updating and implementation. Another 47 agreements are on various levels of preparation.

Estonian-Russian relations in international fora should not be an endless stream of mutual criticism. There are plenty of points of contact, where supporting each other is in the interest of both nations. Besides enforcing the MFN treatment in mutual trade, it is necessary for Estonia to support Russia in becoming a full member of the WTO. It is in our interest that Russia belong to an authoritative trade organisation that could influence liberalisation of trade between Russia and its neighbouring states.

Regarding the new border agreement, we have reached the crucial homestretch on the diplomatic level. For a final solution we need a political decision from both Moscow and Tallinn. We need a favourable political moment. For our part, we have to be prepared whenever it occurs.

Analysing in depth the present political situation as well as possible developments, we have come to the following conclusion: it is expedient for Estonia to explain again, and with even more clarity, the substance of her policies vis-a-vis Russia. We share the view of our Western partners that the positive engagement policy gives best results when applied in a moderate style.

Turning to topics of the day I cannot avoid the public debate on how to react to different and contradictory signals from various Russian sources. While welcoming debate I must nevertheless reject proposals recommending tactics used in the former Soviet Union. As Estonia is a state, so is Russia. Russia is a state, where according to the constitution and the practices of foreign policy decision making, foreign relations are strictly regulated. The authority rests with the president and the federal government subordinated to him, while the co-ordinator's role belongs to the foreign ministry. All signals and proposals from other sources must be dealt with as information and are not automatically a sufficient basis for action.

Estonia's Foreign Ministry welcomes interaction with Russia on regional, self-governmental and other levels, but wants to draw attention to the following: until the Russian partner has co-ordinated its respective activities in accordance with Russian legislation, planned undertakings need not be realised. In the same way the Estonian partners always have to observe the Law on Foreign Relations and other Estonian laws. In other words — it is possible to answer to a unitary foreign policy in a correct and effective way solely through a unitary foreign policy. However, this does not have to inhibit the whole diversity of co-operation.

Induced by moods of the moment I have often been asked with anxiety — does not the possible outcome of the Russian presidential elections peril Estonia's security? To this question I have two answers.

First — in my mind it is natural that at a responsible moment the Russian people will make their democratic decision for stability, progress and domestic peace, for

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pragmatic relations with its neighbours. Estonia will interact with any president of her neighbour state. The most important thing is that democratic elections do take place.

Second — the Government must always be prepared to repel any type of threat to Estonia's security, wherever it may come from, because that is the direct responsibility of the Government. Our common responsibility with you, honourable deputies, is to disperse all of the black clouds that others have painted, not to add new ones.

Summing up the Russian theme I must once again stress both the unity and the mutually supportive policies of our main Estonian foreign policy goals. Estonia's relations with Russia have to be based on our standing as a European state and must be evaluated in the broader context of European-Russian relations. Estonia's policy vis-a-vis Russia must deliberately fit into the framework of relations between the EU and Russia, because in the future it will be an inseparable part of it.

IV

Estonia, as well as the other Baltic states, has a long-lasting and special relationship with the United States of America. It goes back to the times when the United States steadfastly followed the non-recognition policy. Estonia is convinced of the continuous importance of America's role in safeguarding the security of Europe. We are interested in America's participation in Europe's open economy. As a positive recent development I would like to mention the ever-growing interest of American investors towards Estonia.

V

For Estonia an important event during the past half year has been assuming the chairmanship of the Committee of Ministers of the Council of Europe. We look upon this as a graduation exam: Estonia must prove her capability to lead an all-European organisation and prove her capability to achieve consensus between different partners.

In Estonia's economy new perspectives were introduced by the unrestricted free trade agreement with Ukraine, our good friend, which came into force this spring. We anticipate that the upcoming foreign trade statistics for the current year will mirror the success of the agreement.

The negotiations directed at joining the World Trade Organization have proceeded vigorously. The Foreign Ministry anticipates concluding the negotiations this very year.

Despite limited resources the network of Estonia's foreign missions is expanding. Estonia has long sought to bolster ties with the southern member states of the EU by opening representations there. Now I am happy to announce that in the second half of this year the first step in this direction will be the establishment of Estonia's embassy in Rome.

As a sign of Estonia's ever broadening and more balanced concept of the world, our first diplomatic mission besides Europe and North America will open. Our first — but not last — presence in Asia will be the inauguration this fall of Estonia's embassy in Tokyo, one of the world's leading centres of politics, economy and finance. With this move the Foreign Ministry hopes to promote the flow of Japan's high-technological investments to Estonia.

VI

In the framework of its specifics the Foreign Ministry also does serious work in the field of legislation. Our jurists participated in the intense work leading up to the signing and enforcement of the UN convention on refugees. Indeed, by ratifying the convention on refugees Estonia assumes serious responsibilities herself. But Estonia must also be in step with other European countries. Only in this way can we reach our goal in the near future, namely that which the media in its role as spokesman of public opinion reminds us of at practically every press conference: every Estonian citizen, whether a businessman or a school child, must be able to travel visa free in Europe.

We are contemplating possibilities to change, in part, the regulations for residence and work permits, in order to temporarily lift the burden of excessive bureaucracy from specialists who have been invited to Estonia by governmental, educational or scientific institutions, likewise for duly accredited journalists.

My presentation turned out to be more voluminous than anticipated. On the other hand it justly reflects the important role that foreign policy plays in a nation of Estonia's size with her open community and politics. It reflects the importance I myself as Foreign Minister attribute to good mutual understanding and pragmatic co-operation with you, honourable deputies. Only a united foreign policy supported by the Estonian people and its elected representatives can be successful. Thank you for your attention, I welcome your questions.

Estonia: Meri Calls For Closer Baltic Security Cooperation

WS0306112796 Tallinn BNS in English 1600 GMT 1 Jun 96

[FBIS Transcribed Text] Tallinn, Jun 1, BNS — Estonian President Lennart Meri Saturday advised the coun-

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tries bordering the Baltic Sea to intensify their cooperation in security matters.

The president said the key problem at the moment is what is going on at the Conventional Forces in Europe (CFE) pact review conference. "We must keep a careful eye on what decisions the two superpowers make," he told reporters in Tallinn.

"What is happening at the talks concerns all the states bordering the Baltic Sea and will create a totally new security situation for them," the president added.

Cold reality demands that the Baltic Sea states should bolster their security and intensify cooperation in this field, Meri said.

Russia is seeking changing of the 1990 CFE treaty to beef up its weaponry and troops on its western borders and in the Caucasus region.

In justification of its demands at the review conference in Vienna, Moscow says it has lost its allies in eastern Europe and that its borders have changed since the signing of the pact.

Lithuania

Lithuania: Gylys Warns Against Isolating Russia While Pursuing NATO

LD3105122096 Moscow ITAR-TASS in English 1144 GMT 31 May 96

[By Vladas Burbulis]

[FBIS Transcribed Text] VILNIUS, May 31 (Itar-Tass) — Lithuanian Foreign Minister Povilas Gylys told national radio on Friday everything should be done so that Russia should not be isolated and should not take the road of self-isolation regarding cooperation with NATO and, hence, security in Europe.

Gylys said Vilnius welcomed the document signed by Russia and NATO on May 31, 1995 on specific relations of cooperation. "It is gratifying for Lithuania that NATO now has quite good relations with Moscow, and in this context Lithuania is also striving to maintain good relations with Russia," he said.

Gylys said Russia should be convinced that NATO's expansion is not connected with any aggressive intentions, that NATO is not going to attack anyone and that the states wishing to become NATO members are not aggressive. The only goal they pursue is the lawful goal of living in peace," he said.

Lithuania: Brazauskas Rejects Demand To Dismiss Defense Minister

LD3105130296 Vilnius Radio Vilnius Network in Lithuanian 1200 GMT 31 May 96

[FBIS Translated Text] President Algirdas Brazauskas has rejected a formal demand to dismiss Defense Minister Linas Linkevicius, signed by 58 members of the parliamentary faction of the Lithuanian Democratic Labour Party [LDDP].

The demand was signed by a majority of members of the ruling party faction after Linkevicius resigned from the LDDP in April.

Yesterday, Brazauskas received members of the LDDP faction and the minister. After a conversation which lasted for 60 minutes, the president said that the Defense Ministry is a non-political body and the minister, after leaving one party, does not have to become a member of another. Linas Linkevicius confirmed his intention not to join any party and to cooperate with all factions of the Seimas, and expressed his agreement with some of the accusations outlined in the demand for his resignation.

Lithuania: Vilnius Attacks Estonia for Divulging Secret Letter to U.S.

LD0106165896 Moscow ITAR-TASS in English 1632 GMT 1 Jun 96

[By Vladas Burbulis]

[FBIS Transcribed Text] VILNIUS, June 1 (Itar-Tass) — High- ranking officials from the Lithuanian Foreign Ministry and the president's administration blasted Estonia on Saturday for divulging the content of a secret letter written by the presidents of the three Baltic countries to U.S. President Bill Clinton concerning their nations' accession to NATO.

The letter was signed by the presidents of Lithuania, Latvia and Estonia at their traditional summit meeting in Vilnius early this week. The letter was supposed to be delivered to U.S. Secretary of State Warren Christopher by Lithuanian Foreign Minister Povilas Gylys during their upcoming meeting in Berlin scheduled for June 3.

However, official Tallinn has disclosed the content of the letter even before it has been delivered to Clinton.

In the letter, the three Baltic leaders said that their nations' admission to NATO is necessary for strengthening democracy, security and friendly relations with their neighbours.

They also said that their countries are seeking to increase their defence capabilities and therefore the question of "who" will become NATO's members is

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much more important to them than the question of "when" this may happen.

They believe that none of the countries in Central and Eastern Europe should find itself in an "uncertain position" during the alliance's expansion because such a situation may endanger the security of the entire region.

Representatives of the Lithuanian Foreign Ministry and the president's administration confirmed on Friday that the letter did exist. However, they did this only after the secret document had been disclosed by the press service of Estonian President Lennart Meri earlier that day in violation of the agreement reached by the three Baltic leaders at their meeting.

One of the leading political advisers to the Lithuanian president said that "Tallinn has broken the word and we are now trying to figure out whether they did this intentionally or not."

Lithuanian radio reported earlier today that official Tallinn has already apologised to Lithuania for "the disappointing misunderstanding."

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